

FBIS

DAILY REPORT

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REAGAN TRIES TO DISTORT USSR POLICY IN INTERVIEW

AU051013 Sofia Domestic Service in Bulgarian 2030 GMT 4 Nov 85

[Text] Today the Soviet newspaper IZVESTIYA carries an interview with Ronald Reagan, in which the U.S. President presents his position on the problems of USSR-U.S. relations and on many international issues. The President dwells in particular on the forthcoming Geneva summit. Along with general statements in favor of peace and normalizing relations with the USSR, attempts are made in the interview to distort Soviet foreign policy. In a similar light the interview also presents the policy toward the so-called regional problems. Avoiding an answer to questions on the Washington course toward Nicaragua, southern Africa, and the Middle East, the President tries to evoke the impression that the world situation is a result of USSR policy in various regions.

The same issue of IZVESTIYA also carries an article by the four Soviet journalists who interviewed the President. Gennadiy Shishkin, Vsevolod Ovchinnikov, Stanislav Kondrashev, and Genrikh Borovik impart their impressions of the conversation with him and express their opinion on the issues he touched on at the meeting, including the key aspects of the present international situation and USSR-U.S. relations:

The interview with the U.S. President turns out to be contradictory. The beautiful words about peace and striving toward understanding with the USSR are combined with groundless accusations against USSR foreign policy, stress the Soviet journalists. After answering our five previously sent written questions, the President allocated only 30 minutes for a verbal conversation, and we could not present even one-third of our questions related to U.S. policy. As for the content of the President's answer, there is nothing new for those who are more or less acquainted with the political outlook and understand the practical political actions of Ronald Reagan, the journalists note. His answers show how an American conservative figure views the world, and how he tends to forget or overlook obvious facts everyone knows if they fail to correspond with his opinions or unmask his actions. His stereotyped answers show the President precisely as he is, stress the Soviet journalists.

Nevertheless, the very fact that the United States understands the need for a broad USSR-U.S. dialogue is a positive phenomenon. We would like to believe, the authors write, that Soviet readiness to attain a sharp turn toward better relations between the USSR and the United States will meet a constructive response from the American side at the Geneva summit.

ARMY PAPER ON TURKEY'S DEMANDS FOR MORE U.S. AID

AU042016 [Editorial Report] Sofia NARODNA ARMIYA in Bulgarian on 11 November carries on page 4 a 450-word report by Stefka Purvanova on current U.S.-Turkish talks on further extension of the Turkish-American agreement for military cooperation.

Based on information from the Turkish newspaper COMMURIYET, it is noted that Turkey is asking that in 1986 military aid be increased to \$1.2 billion and economic aid to \$300 million, and for more military aid than that provided to Greece. In support of the claims, Turkey is said to be arguing that "in the NATO system Turkey stands second to the United States in the numerical strength of its Armed Forces, and that her Armed Forces require urgent updating due to the fact that Turkey borders on two Warsaw Pact states, occupies a key position on NATO's southeast flank, and is in direct proximity with the Middle East."

However, according to a report by the British weekly THE ECONOMIST, the United States is making a number of counterclaims: permission to build a Voice of America transmitter in Anatolia, greater facilities for U.S. vessels in Turkish ports, and use of the Incirlik base by the U.S. rapid deployment forces.

The report notes that although, as part of the campaign, this summer the Turkish press suggested that Turkey might denounce the treaty, the tone changed later: "... 'Corrections' were made, according to which Turkey will ask not for the whole agreement to be changed, but only certain clauses, to guarantee an annual growth of the U.S. aid received."

The author of the report then draws attention to Turkey's \$25 billion foreign debts, requiring increasing and crippling interest payments, which in 1984 comprised 37.1 percent of the U.S. loans received for military purposes, in 1985 rose to 43.3 percent, and in 1986 will reach 47.9 percent. Thus, the report concludes, "the United States gives with one hand and takes with the other, or rather, robs with both hands." The United States, the author claims, is getting the best of the bargain.

NARCOTICS FOR W. EUROPE SEIZED AT TURKISH BORDER

AU011744 Sofia BTA in English 1303 GMT 1 Nov 85

[Text] Sofia, November 1 (BTA) -- Our reporter Sasho Krustev, who keeps a close track of the Bulgarian customs activity, reported from the south frontier town of Svilengrad:

The Bulgarian customs officials from the "Kapitan Andreevo" examination post at the border with Turkey intercepted an attempt for smuggling of narcotics destined for Western Europe. The dispatch of about 1 kilogram heroin has been detected on October 24, in the luggage compartment of a bus with Swiss number plate No. ZH 424-386, belonging to the Turkish tourist firm "Hazar Tourism". The small packages of heroin had been adhered under the bottoms of two baskets full of fruits.

From the testimony of the eleven passengers and the driver, it became clear that the baskets had been handed personally to the driver by the owner of the tourist firm, the Turkish citizen Ali Fidan. That has happened just before the Bulgarian border line. The driver of the bus -- the Turkish citizen Mehmeddin Hocabas, stated that he had been ordered to deliver the baskets to Ali Seifetin, a bank clerk in Zurich. The bank, where Ali Seifetin is working, is near the representation of "Hazar Tourism" in this Swiss town.

The driver of the bus, Mehmeddin Hocabas, was set free because there was not any evidence for his complicity in the attempt for smuggling of the narcotics.

What was the role of Ali Fidan, the owner of the Turkish firm "Hazar Tourism", who had left the bus just before the Bulgarian border, in order to travel, as some of the passengers alleged, by airplane to Zurich, remained a mystery. According to the witnesses two unidentified persons also attended the loading of the luggage.

MECHANICAL ENGINEERING TIES SET WITH USSR

AU011514 Sofia BTA in English 0845 GMT 1 Nov 85

["New Form of Soviet-Bulgarian Cooperation" -- BTA headline]

[Text] Moscow, November 1 (BTA) -- Soviet-Bulgarian agreements providing for deepening of the cooperation and developing of the relations in the field of mechanical

engineering, were signed yesterday in Moscow. They are related to some practical aspects of the activity of two Bulgaro-Soviet associations. One of them has combined the big Soviet mechanical engineering enterprise in the town of Ivanovo and the Bulgarian association "Metal Cutting Machines Works", and the other has united the Moscow works "Krasniy Proletariy" and the Bulgarian "Beroe" robotics science-and-industry combined works.

The agreements which have been signed come under the intergovernment agreement for establishing Bulgaro-Soviet science-and-industry associations in the sphere of mechanical engineering, which has been signed during the recent visit of Mr. Mikhail Gorbachev, secretary general of the CC of the C.P.S.U., to Bulgaria.

The foundation of Soviet-Bulgarian associations aims at achieving higher degree of intensification and efficiency of production, at accelerating of techno-scientific progress, at developing and producing machines and equipment at the highest technical level. As early as the next five year-period the two associations will supply output to the value of more than three thousand million rubles, remarked at the signing Mr. Boris Balmont, minister of engineering and instrument making industry of the U.S.S.R.

Mr. Ognyan Doynov, minister of mechanical engineering of Bulgaria, stressed that the foundation of Bulgaro-Soviet science-and-industry associations was a new form of socialist economic integration. The leading mechanical engineering enterprises of the two countries will joint their efforts in the production of processing centres, flexible production systems and industrial robots.

FURTHER REPORTAGE ON VISIT OF AUSTRIA'S GRATZ

Austrian Report on Talks

AU221420 Vienna WIENER ZEITUNG in German 19 Oct 85 p 1

[Excerpts] Sofia (APA) -- On Friday morning [18 October] Foreign Minister Leopold Gratz continued his political talks in Sofia following a visit to the Austrian Embassy, headed by Ambassador August Tarter. In addition to State Council Chairman Todor Zhivkov and Prime Minister Grisha Filipov, Gratz also met with BCP Central Committee Secretary Milko Balev, member of the BCP Central Committee Politburo.

During the working talks with Foreign Minister Petur Mladenov, who since Gromyko's promotion to chief of state is, with his 14 years in office, the longest-serving foreign minister in Europe, the sides agreed that endeavors for detente in Europe must not be made dependent on whether the big powers make progress in Geneva toward reconciling their positions -- which everyone hopes -- and that, within the framework of its loyalty to the Warsaw Pact, Bulgaria will make its contribution to this. There was also consensus that the results of the various CSCE experts' conferences should only be evaluated at the Vienna follow-up conference and that the CSCE conference in Stockholm should be concluded by then. The Bulgarian side attaches great importance to the role of the neutral and nonaligned group in general, and that of Austria in particular, in working out compromise proposals in the event of a disturbed negotiating climate between the big powers.

The Austrian side stressed the need to pay more attention to the somewhat neglected "Basket Two" -- cooperation in the economic scientific, and cultural field -- because, as Gratz stressed, the multifarious economic and scientific links through their own dynamics lead to cooperation. This suggestion was positively received by the Bulgarian side.

Mladenov Dinner Toast

AU221732 Sofia RABOTNICHESKO DELO in Bulgarian 18 Oct 85 p 8

[Text] Foreign Minister Petur Mladenov gave an official dinner in honor of Austrian Foreign Minister Leopold Gratz, at the "Vitosha-EW Otani" hotel in Sofia on 17 October 1985.

The dinner was attended by Comrade Milko Balev and Dimitur Stoyanov; Georgi Dzhagarov, deputy chairman of the State Council; members of the State Council and government; as well as by officials accompanying the Austrian foreign minister.

In his toast, Minister Petur Mladenov declared that the Austrian Foreign Minister's visit is an opportunity to pursue the Bulgarian-Austrian dialogue, which has developed actively over many years and which represents one of the important prerequisites for the improving, mutually advantageous, and solid, traditional relations between the two countries. He recalled that Comrade Todor Zhivkov terms these relations an example of cooperation between two countries belonging to different socioeconomic systems.

Minister Petur Mladenov noted the particular importance of the agreements reached during summit meetings, and stressed the exceptionally great role and constructive contribution of the talks between State Council Chairman Todor Zhivkov and Austrian Federal chancellor Dr Fred Zinowatz in September 1984, in Sofia. He noted that we do not hold that all possibilities of further expanding mutually advantageous cooperation are exhausted, for there are other, even more effective forms of cooperation which should be used.

The Bulgarian foreign minister pointed out the common evaluation of the dangerous degree of confrontation resulting from the arms race -- which has reached absurd dimensions, particularly in the nuclear sector -- and the evaluation of the need to adopt prompt and efficient measures to prevent the transformation of space into an arms arsenal, and of the need for disarmament. Petur Mladenov remarked that despite the fact that our opinions on the causes of the present-day deterioration of the world situation do not fully coincide, our unanimous resolve to devote efforts to a positive change in international relations is important.

Petur Mladenov declared that peace can only be rescued through honest and constructive negotiations, based on the principles of equality and equal security, principles which take into consideration the interests of all. He dwelled on the numerous, constructive ideas submitted by the socialist countries for the sake of worldwide peace. The most recent Soviet proposals contain elements which, if accepted by the West with the necessary sense of responsibility, are likely to create prerequisites for a drastic change in international relations, the Bulgarian foreign minister stated. It is no exaggeration to say that these proposals offer a truly historic chance for peace. The Soviet side has once more proved its readiness to "meet the others half way." The world is justified in expecting President Reagan to fulfill his promise and to cover "his own half of the way," the world is justified in expecting the meeting in Geneva to be concluded successfully. At the same time, "star wars" plans and Euro-missiles "protect us against" excessive optimism.

Dwelling on the Stockholm conference, from which we are receiving quite encouraging signals these days, Petur Mladenov recalled that we consider the establishment of nuclear-free zones as an efficient confidence measure. For many years Bulgaria has devoted considerable efforts to the creation of such a zone in the Balkans, he stated, and stressed the importance of Comrade Todor Zhivkov's ideas for specific steps toward this goal.

REACTION TO REAGAN'S INTERVIEW WITH IZVESTIYA

Attempt to Distort USSR Policy

LD041940 Prague Television Service in Czech and Slovak 1830 GMT 4 Nov 85

[Commentary by unidentified Moscow correspondent]

[Excerpt] The Soviet daily IZVESTIYA has published an interview today in which U.S. President Ronald Reagan explained his position on problems in Soviet-U.S. relations and on some questions of an international nature.

Our Moscow correspondent comments on its content: The President also talked about the forthcoming Geneva summit. Apart from general statements on peace and normalization of relations with the Soviet Union, the interview contains attempts to distort Soviet foreign policy. Policies concerning the so-called regional problems are presented in the same spirit. The President avoided answering questions regarding Washington's policy towards Nicaragua, South Africa, and the Middle East, and attempted to evoke an impression that world tension is a consequence of Soviet policy in various regions.

IZVESTIYA simultaneously published an article by four Soviet journalists, who interviewed the U.S. President. In it they have expressed their impressions on the meeting with the President and their views of the issues discussed.

'Full of Contradictions'

LD051014 Prague Domestic Service in Czech 0830 GMT 5 Nov 85

[Text] U.S. President Reagan's interview with IZVESTIYA was initiated by the White House. Consequently, one would expect that the U.S. President wished to convey something of exceptional importance to the Soviet readers at a time when preparations for the Geneva summit are culminating. However, in reality, Ronald Reagan restated former U.S. proposals, which have been rejected by the Soviet Union as poorly concealed attempts to gain military supremacy. The U.S. President did not hide Washington's plans for continuing the militarization of space, and he hinted at the intention to revise the ABM Treaty of 1972.

When talking about the forthcoming meeting with Mikhail Gorbachev, he put emphasis on regional issues rather than serious dialogue on key problems -- arms limitation and moves to bring about an improvement in relations between the two countries. The U.S. President confirmed that his perception of the world is extremely conservative, and that he continues to respect the rule that truth and strength are synonymous. The content of the interview provides a number of indications for the Geneva summit. The summit agenda is at present being discussed here in Moscow by Eduard Shevardnadze, Soviet minister of foreign affairs, and by his U.S. counterpart George Shultz.

Reagan's interview, full of contradictions, has not indicated Washington's switch to the course of realism and responsibility. However, the Soviet Union has not given up hopes that Geneva will after all provide a constructive answer from the Americans to its radical arms control proposals; as long as hope for halting the arms race exists, it is necessary to maintain it.

TASS CITED ON U.S. TORTURE, THREATS TO YURCHENKO

LD051042 Prague Domestic Service in Czech and Slovak 0900 GMT 5 Nov 85

[Text] A press conference for U.S. and foreign journalists was held in the Soviet Embassy in Washington yesterday. The conference was organized at the request of the senior diplomatic official Vitaliy Yurchenko.

U.S. media recently announced sensational news: that Yurchenko allegedly came to the United States on his own will and that he asked for political asylum there. This is an absolute falsification, notes the TASS agency. According to the evidence given by Yurchenko himself, he was kidnapped at the beginning of August while on a business trip to Rome by unknown persons. These persons then took him overseas, unconscious and under strong sedation. In the United States Yurchenko was kept in isolation; he was forced to take some drugs; and he was not allowed contact with official Soviet representatives.

According to Yurchenko's information given at the press conference, it was only on 2 November that he managed to leave and come to the Soviet Embassy. Prior to this, Yurchenko had undergone 2 months of a systematic and intensive psychological brainwashing process. The CIA employees who were in contact with him during this time wanted to break his will and acquire information in which American intelligence is interested. They continuously threatened him and kept insisting that he was a traitor, hence he would be better off if he gave up the idea of returning to his homeland where only prison and death awaited him. The CIA has launched a massive anti-Soviet campaign in the U.S. media. The aim of this campaign is to discredit Yurchenko. When this came to no avail, they promised money and financial security until the end of his life. According to the words of the Soviet diplomat, the true torture has lasted for 3 months. This torture was in effect nothing more than another manifestation of state terrorism, writes TASS.

By carrying out this action, the United States has violated the basic human rights of the Soviet diplomat, whom they attempted, by using drugs and threats, to deprive of his thinking and emotional abilities. This deed is in total contradiction to the general understanding of morals and justice; it also contradicts international laws. The Soviet Embassy has lodged a strong protest to the U.S. State Department and has demanded that those guilty of crimes against Vitaliy Yurchenko be strictly punished and that he be allowed to return to his homeland immediately.

SHULTZ, SHEVARDNADZE HOLD PRESUMMIT MEETING

LE042047 Prague CTK in English 1930 GMT 4 Nov 85

[Text] Moscow, Nov 4 (CTK) -- Soviet-American relations and major international issues were discussed here today by Soviet Foreign Minister Eduard Shevardnadze and U.S. Secretary of State George Shultz, in connection with the coming meeting between CPSU General Secretary Mikhail Gorbachev and President Ronald Reagan in Geneva.

Security questions, especially those on the agenda of the ongoing Soviet-U.S. talks on nuclear and space weapons, were in the centre of attention.

PROTEST FILED AGAINST FRG NAVY 'TARGET PRACTICE'

LD041446 East Berlin ADN International Service in German 1434 GMT 4 Nov 85

[Text] Berlin, 4 Nov (ADN) -- On 29 October, in the Baltic Sea, the FRG Federal Navy destroyer "D 184" carried out target practice on the GDR merchant ship "Trentsee" with a 100 mm gun. On 4 November the GDR Permanent Mission in the FRG protested in the FRG Federal Chancellery against the actions of the FRG warship, which contradicts the generally recognized rules of international law, especially the freedom of international shipping, and demanded measures which would rule out such actions.

REPORTAGE ON AUSTRIAN FOREIGN MINISTER'S VISIT

Talks With Honecker

LD041744 East Berlin ADN International Service in German 1330 GMT 4 Nov 85

[Text] Berlin, 4 Nov (ADN) -- Erich Honecker, SED Central Committee general secretary and GDR Council of State chairman, received Leopold Gratz, Austrian federal foreign affairs minister, on Monday [4 November] at the official seat of the Council of State. During their friendly talk, Erich Honecker and Leopold Gratz termed the development of extensive GDR-Austrian relations as good, balanced, and continuous.

The Austrian foreign minister's visit to the GDR serves to further the two countries' long-term agreements made at the highest level, in the political, cultural, economic, and scientific-technological areas.

Erich Honecker emphasized that the GDR is ready to work with all those who allow themselves to be guided by reason and realism in their policy in order to prevent a nuclear inferno. In this connection, he paid tribute to Austria's neutrality policy.

The Sofia declaration again demonstrated the Warsaw Pact countries' serious desire to agree on mutually acceptable solutions to the vital questions facing humanity. Erich Honecker stressed that the USSR has submitted a constructive and far-reaching program, the realization of which will lead to a historic change in international relations, for the good of peace, security, and cooperation.

High expectations are now directed toward the upcoming meeting between General Secretary Gorbachev and President Reagan this month. An attitude which shows cognizance of one's responsibility can initiate a recovery in the international situation. Cooperation has to take the place of confrontation.

Leopold Gratz stressed his government's efforts to contribute to normalization of the international situation and improvement in East-West relations. These goals are served by Austria's policy of good-neighborliness, its actions in the United Nations, and its actions within the framework of the CSCE process. He spoke out in favor of using space exclusively for peace and of disarmament measures on earth and, in this connection, paid tribute to the USSR and the Warsaw Pact Political Consultative Committee session's recent peace initiatives.

The partners in the talk affirmed their states' desire to contribute toward the protection of peace and the revival of the detente process in Europe.

The talk was attended by Oskar Fischer, GDR minister of foreign affairs; and Heinz Eichler, Council of State secretary. Also present were Dr Horst Grunert, GDR ambassador to the Republic of Austria; and Dr Franz Wunderbaldinger, ambassador of the Republic of Austria to the GDR.

Fischer's Luncheon Toast

LD041801 East Berlin ADN International Service in German 1356 GM 4 Nov 85

["From Oskar Fischer's Toast at the Luncheon for Austrian Foreign Minister Leopold Gratz" -- ADN headline]

[Text] Berlin, 4 Nov (ADN) -- GDR Foreign Minister Oskar Fischer stressed in his toast at the luncheon in honor of Leopold Gratz that the two states' political dialogue is being continued with this official visit. It remains the foundation for understanding, just as it stimulates good-neighbor cooperation. The complicated, dangerous world situation makes us confront the necessity of a constructive approach to one another.

The arms race, which is continuing undiminished, is intended to assume cosmic dimensions and thus plunge the world into dangers of a deadly scale which cannot even be assessed. The GDR fully shares the view held by Austria, which has held the chair in the UN Commission for the Peaceful Use of Space since 1959, that there can be undisturbed, peaceful cooperation for the joint use of space only if the danger of weapons in space is banished. The GDR supports the USSR's initiatives on international cooperation in the peaceful use of space and all other sincere efforts to protect peace in space and on earth.

Oskar Fischer stressed that the GDR, like the Republic of Austria, welcomes the Soviet-American negotiations which have been agreed upon. It expects concrete agreements to be made in Geneva. "We welcome the forthcoming Soviet-American summit if it reduces the danger of war and leads to mutually acceptable solutions in the sphere of arms limitation and disarmament."

The foreign minister recalled that in their Sofia declaration the Warsaw Pact countries unmistakably pointed out that there cannot be security through 'star wars.' The special responsibility of the USSR and the United States in no way reduces the duty and opportunities for all other states and political forces to provide their best for the prevention of space militarization.

The GDR demands, wherever possible, peaceful cooperation among the European states, as provided for in the Helsinki Final Act signed 10 years ago. Oskar Fischer paid tribute to Austria's persistent political commitment, which has contributed much to European security and cooperation. The visits exchanged by the two countries' heads of state have given their relations a broad framework. Their fruitful, varied cooperation, which is mutually advantageous, is free from any attempts at patronizing treatment or interference. Therefore, this cooperation gives convincing proof that peaceful coexistence is not only possible, but is indeed the natural, normal form of international coexistence, even among states of differing social orders.

The speaker satisfactorily noted that GDR-Austrian relations have been developing dynamically and with a view to the future. This good balance-sheet and the joint future plans may encourage the efforts of all forces of realism and reason to preserve peace, and thus life, for humanity.

Gratz Response To Toast

LD041911 East Berlin ADN International Service in German 1442 GMT 4 Nov 85

[Text] Berlin, 4 Nov (ADN) -- In his reply to Oskar Fischer's toast, Foreign Minister Leopold Gratz once more expressed gratitude for the warm hospitality in the GDR. He stressed that relations between the two states are marked by a frequent exchange of visits and views at the political level.

The foreign minister recalled the official visits by Erich Honecker to Austria in November 1980 and by Dr Rudolf Kirchschlaeger to the GDR in October 1983. An upturn in bilateral relations, which today is still clearly perceptible, emanated from these meetings. The meetings between the foreign and other ministers are equally a positive element in the two states' relationship, which is no longer imaginable without these meetings. He pointed to Oskar Fischer's visit to Austria in April 1984 and noted that this dialogue is regarded by both sides as sensible and is being conducted at a time of deep differences in East-West relation.

"We welcome all the more the resumption of negotiations between the Soviet Union and the United States. We hope the forthcoming meeting between U.S. President Ronald Reagan and CPSU Central Committee General Secretary Mikhail Gorbachev will offer new opportunities for detente and provide important impulses for stemming the arms race in all areas for the preservation of peace."

Austria had been receptive to the idea of a conference for security and cooperation in Europe from the start and has taken an active part in the further development of the process emanating from it in the past 10 years. Austria, Leopold Gratz emphasized, advocates progress in all areas of the CSCE process and is ready to contribute actively together with other participant states to improve the East-West climate.

He expressed the expectation that the next follow-up meeting, which will be held in Austria, will also devote special attention to those sections which, perhaps, have been somewhat neglected in the follow-up program between Madrid and Vienna. He is thinking here, for example, of "Basket 2," where a considerable potential for possible and useful cooperation is still available to everyone. "In addition, we hope that the Vienna meeting will lead to a better implementation of the agreements already made in Helsinki and Madrid, especially in the areas of human rights and human contacts."

Dealing with mutual cooperation, which is advantageous in all respects, he stressed that the two countries' economic relations are developing undisturbed. In addition to foreign trade, an upswing can be detected in the cultural sphere. This sphere is suited for promoting mutual understanding and making a contribution toward confidence-building.

Leopold Gratz assessed the talks with his GDR counterpart as very productive. He expressed the conviction that further contacts will emanate from the discussion with the chairman of the Council of State for the two states' future cooperation.

Agreement Signed

LD050051 East Berlin ADN International Service in German 1817 GMT 4 Nov 85

[Text] Berlin, 4 Nov (ADN) -- Oskar Fischer, GDR minister of foreign affairs, and Leopold Gratz, Austrian federal minister of foreign affairs, held official talks today in Berlin.

The two ministers emphasized that bilateral relations have developed in all fields and have reached a high level. Their positive influence on the European climate is unmistakable. There are favorable conditions for the future to consolidate what has been achieved and to further deepen and expand cooperation.

Oskar Fischer and Leopold Gratz expressed concern about the tense international situation. The dangerous tendency to create more and more weapons of mass destruction and the expansion of the arms race to cosmic dimensions must be decisively countered. Both ministers spoke in favor of the purely peaceful use of space. They welcomed the Soviet-American talks in Geneva and linked the hope with the forthcoming meeting between Mikhail Gorbachev and Ronald Reagan of a reduction of the danger of war and of mutually acceptable solutions in the field of arms limitation and disarmament.

Oskar Fischer emphasized that the Sofia declaration of the Warsaw Pact countries offers a real chance to this end as a comprehensive and far-reaching program of constructive measures. It is now up to the other side to display the political will for peace-strengthening measures.

The minister emphasized that the GDR and Austria, together with all truly peace-loving forces, can contribute to ending the disastrous arms race. Nobody should withdraw from their responsibility to this and future generations. In this connection Oskar Fischer paid tribute to Austria's work in foreign policy aimed at international security, detente, and cooperation.

Leopold Gratz affirmed the support of his government for a policy of peaceful coexistence and good-neighborliness. Austria accorded great importance to the stabilization and expansion of the process of detente as well as to the further realization of the Helsinki Final Act as a unified whole, particularly with a view to the CSCE review conference starting in 1986 in Vienna.

GDR Deputy Foreign Minister Kurt Nier, other leading members of the Foreign Ministry, as well as persons accompanying the Austrian foreign minister, took part in this open and constructive exchange of views.

After the official talks, Oskar Fischer and Leopold Gratz signed an "Agreement Between the Government of the GDR and the Republic of Austria on Granting Free Visas and Endorsements for Journeys for Economic, Scientific, Cultural or Sporting Purposes" in the presence of leading personages.

On Monday morning the Austrian foreign minister paid tribute to the victims of fascism and militarism by laying a wreath at the Unter den Linden memorial in Berlin.

Talks With Stoph

LD050958 East Berlin ADN International Service in German 0750 GMT 5 Nov 85

[Text] Berlin, 5 Nov (ADN) -- Today, in Berlin, Willi Stoph, chairman of the GDR Council of Ministers and member of the SED Central Committee Politburo, received Leopold Gratz, federal minister of foreign affairs of the Republic of Austria. The talks were attended by GDR Foreign Minister Oskar Fischer. Present were Horst Grunert and Dr Franz Wunderbladinger, the two countries' ambassadors.

Later the Austrian guest is to visit Potsdam to view the state palaces and gardens and Cecilienhof Palace, after which he will end his GDR visit.

COMMENTATOR ON SOCIALIST COOPERATION, DISARMAMENT

DW050925 East Berlin Domestic Service in German 1800 GMT 4 Nov 85

[Albert Reiss weekly political review: "The World, Yesterday, Today, Tomorrow"]

[Text] Good evening esteemed listeners: In the past week the countries of the socialist community of states concluded several agreements that are very important in further developing people's standard of living and quality of life in our countries. These agreements are also significant in the historical struggle with the imperialist system. They are interrelated. As a result of the meeting between Erich Honecker and Janos Kadar in Budapest, the GDR signed a program with Hungary on economic and scientific-technical cooperation up to the year 2000. Almost simultaneously the GDR and the USSR concluded the coordination of their plans from 1986 until 1990. The GDR and Romania did the same. And the USSR and the CSSR are also currently coordinating their plans for the same period.

I just wanted to remind you of this. It is certainly not necessary to emphasize that what matters here are not projects determined by technocratic considerations but, of course, those that have the utmost significance for the development of the socialist countries. Let us just consider the fact that the framework for plan coordination with the Soviet Union is laid down in the program of cooperation with the USSR until the year 2000 and the dimensions with which one is concerned will become still clearer.

The agreement now reached marks out the path for the development of cooperation in science, technology, and production, which represents a treaty without parallel in the world. And the SED central organ today characterizes cooperation between the GDR and the USSR as an unalterable prerequisite to realizing the economic strategy pursued by our party.

The importance of multilateral and bilateral cooperation among socialist countries was demonstrated by Erich Honecker at the end of last week at the meeting with chairmen of friendly parties, when he said that the outcome of the issues of war or peace, reaction or progress, depends on how successful real socialism is in further strengthening its political, economic, and ideological potential, so that it can, at any time, reliably defend its achievements. In other words, we are also concerned, even primarily concerned, with our main objective, which is to guarantee peace. In order to achieve it, there must be a radical change in international relations. That realization has recently been gaining tremendous ground. As examples of opinion on the part of the majority of the public in the NATO countries, I should like to mention only two in just a little more detail.

First, Gus Hall, the general secretary of the U.S. Communist Party, has called on his country's administration to use the historic chance of the coming Geneva summit meeting to do everything to ensure that an agreement on concrete disarmament measures is reached between the United States and the USSR. He expressed the expectation that the U.S. Administration will respect the wishes of the majority of the public for attaining disarmament. Gus Hall described the U.S. "star wars" project as the greatest obstacle to an agreement.

The other voice comes from the Netherlands. There, Joop den Uyl, the former premier, described the decision of the Dutch Government to deploy U.S. intermediate-range missiles as a black day in the history of the country.

The decision goes against the opinion held by a large part of the public and, moreover, ignores the new situation: The USSR has reduced the number of its missiles in Europe and taken other disarmament initiatives.

Preparations for the Geneva meeting have gotten under way. U.S. Secretary of State George Shultz has arrived in Moscow and will be meeting with Mikhail Gorbachev and Eduard Shevardnadze. Without doubt these talks will be directly conducive to the meeting. He has expressed ideas on possible agenda items, which are not always quite the same as those publicly announced by other members of the U.S. administration. However, to go into it in more detail would be to speculate. Of course, these are all very complicated subjects that are also affected by declarations and acts by the United States that cannot under any circumstances be described as constructive.

For that reason in particular a thought expressed recently by James Reston in the NEW YORK TIMES appears interesting. After examining the pros and cons of several aspects of the disarmament problem, the journalist, a competent man in the field of international affairs, writes, verbatim: 'In the nuclear sphere, many experts are of the opinion that a comprehensive test ban would brake the arms race most effectively and would perhaps be easier to negotiate and control than all of the programs proposed so far. End of quote.

The Soviet Union argued in a similar way when, as of 6 August, it stopped all of its nuclear explosions. Not because [words indistinct] because his reflections, show, although they admittedly cover only a partial aspect of the disarmament problem, how positive results can be attained. It is not the Soviet Union's fault. It agreed to an extension of the third round of the Geneva negotiations because the United States presented new proposals, which -- as TASS wrote -- were, in the White House's opinion, supposed to be an answer to the Soviet proposals made at the beginning of October. And TASS recalls what is at stake: A complete ban on offensive space weapons for both sides and a radical 50-percent reduction of nuclear weapons capable of striking the territory of the other. In any case, as one can see, the Soviet Union is examining the U.S. proposals.

Also last week the so-called NATO Nuclear Planning Group met in Brussels, a meeting full of contradictions. Accordingly, the result was full of contradictions. The fact that NATO defense ministers did not formulate any express support for the U.S. Strategic Defense Initiative [SDI] project in their final communique can be seen as extremely significant and characteristic of the state of public opinion in the NATO countries. Attention should be drawn to this because, prior to the meeting, the United States demanded express support for the U.S. space weapons project, as it did at NATO's March meeting in Luxembourg. Currently, some NATO governments no longer want to do so because they have obviously realized that SDI cannot be reconciled with efforts aimed at disarmament. Above all, it threatens to destroy the opportunities that have arisen as a result of the Soviet offers and advance concessions. On the other hand, some NATO ministers feel compelled -- perhaps as a sort of consolation for the United States -- to formulate support for the U.S. positions on Geneva. I said some ministers -- not all of them took that position.

However, as a result, the Washington administration has had the opportunity to refer to such support even when it involves militarization of space. All the more so, because in some NATO countries whose governments were not prepared to provide the SDI project with political support, weapons concerns have already begun to participate in SDI. That is disquieting.

Nobody is calling on NATO ministers to take Soviet positions -- that would be unrealistic, but the chances being offered should be accepted. And a good many people in the West see the recent Soviet initiatives as such a chance.

SOVIET FRIENDSHIP CONFERENCE AIDS COOPERATION

LD030011 East Berlin Voice of GDR Domestic Service in German 1800 GMT 2 Nov 85

[Text] Erich Mueckenberger, president of the Society for German-Soviet Friendship [DSF], paid tribute to activities for the consolidation of the fraternal bond at today's DSF Bezirk delegate conference in Frankfurt-on-Oder. The initiatives of the 245,000 members in the Oder Bezirk, who are strengthening socialism and contributing toward the protection of peace with their performances, also bore witness to this. Many basic units of the society maintained close relations with enterprises and institutions in the USSR; this was giving valuable impulses, among other things, to scientific-technological cooperation.

Gerald Goetting said at the delegate conference in Erfurt, that friendship with the Soviet Union is the guarantee of our own march forward. He emphasized the necessity of cooperation between all peace-loving and realistically-thinking forces for averting a threatening nuclear inferno. His talks with the United Nations secretary general had confirmed once again what high authority the peace policy of the GDR enjoys worldwide.

PRC PHYSICAL CULTURE DELEGATION VISITS

LD050031 East Berlin ADN International Service in German 1641 GMT 4 Nov 85

[Text] Berlin, 4 Nov (ADN) -- A delegation of the PRC's Physical Culture and Sports Commission, led by Vice Minister Zhang Caizhen, which is currently visiting the GDR, met with Guenther Heinze, vice president of the GDR's German Gymnastics and Sports Association (DTSB), for a friendly talk today on further development of cooperation in 1986.

Both sides paid tribute to the traditionally good relations between the sports organizations of the two countries. During the discussion it was unanimously noted that the broadening and deepening of equal and mutually beneficial cooperation is useful for developing physical culture and sports in both countries and for preserving peace and understanding between their peoples.

During next few days the Chinese delegation will familiarize itself with the development of physical culture and sports in the GDR, especially the experiences in the field of sports science and sports medicine, and will visit relevant institutions in Leipzig and Dresden.

CULTURAL FORUM REMAINS 'FREE OF EXTREMES'

AU041350 Budapest NEPSZABADSAG in Hungarian 30 Oct 85 p 4

[Article by Ervin Gyertyan: "Efforts To Agree -- With Reference to the International Press Review of the Cultural Forum"]

[Text] "Hungary is the first country in the East to organize an international conference on such a scale and to use all its authority to promote its success," LIBERATION writes in Paris. "The leadership in Budapest has exerted great effort to create the best opportunity for a free exchange of views," says the Austrian DIE PRESSE. "Positive Balance at the Cultural Forum" is the headline in the Italian UNITA. "...The participants have shown restraint both in their statements and during the general debates held behind closed doors," states the Swiss NEUE ZUERCHER ZEITUNG. We could go on and quote other papers to show that the international reaction to the Budapest Cultural Forum is basically the same as the opinion and mood of the forum's representatives, who appreciate the organizational work of their Hungarian hosts -- which pleases us very much -- and evaluate positively the forum's activities so far.

This is not to say that the colorful spectrum of the international press does not include some who are betting against the conference. These are political forces which -- to use stock exchange jargon -- are banking on a slump [besszre jatszok]. They would very much like to see the Cultural Forum fail to satisfy the expectations focused on it at its inception in Madrid; they would even be happy if, through artificially creating rigid views by intensifying differences in opinions, they could demonstrate victoriously that tensions between the West and East preclude the possibility of any agreement at all.

However, willingly or not, a majority of even this group acknowledge, though they do not do so uniformly, that as a host Hungary found ways of easing tensions in accordance with its resources, regardless of whether these tensions were external or internal in origin. The Italian LA REPUBBLICA states that "Hungary... has strengthened the impression that it is a tolerant country." Other Western papers talked about the tactical skill and "foxiness" of the Hungarian authorities. Well, these papers are in a way admitting something -- namely, that it was possible to avoid troublemaking maneuvers.

Most of these remarks refer to an event, known also from Hungarian press reports, which the Western press at times called "counterforum," at other times "parallel" or "alternative" forum or "cultural symposium." This was supposed to be held in a special hall of the Duna Intercontinental Hotel by an organization calling itself the International Federation of the Helsinki Groups Fighting for Human Rights. In this connection the organizer of the event, Gerald Nagler, clearly stated to a reporter from the Austrian weekly PROFIL that before the conference "they purposely did not ask the ministers to take the laws of the host into consideration; they could still organize the conference in a private flat, which was neither smaller nor bigger than the hall in question, according to the famous American writer Susan Sontag, and all those invited to the original place could be present: writers, diplomats, press reporters, Hungarians, and foreigners. The correspondent of LIBERATION wrote: "Those from the West took only a languid interest in protesting", that the "counterforum" did not have access to the publicity afforded by the hotel room, and apart from a few statements, presumably intended for home audiences only, the Hungarian broadcasts of one or two foreign radio stations considered the issue a temporary scoop.

The way this matter developed made it clear to everyone that we were not afraid of the questions dealt with there, all the less so because, as the AFP reporter put it: "It is strange -- or characteristic -- that the speakers at the 'marginal' event touched upon the same issues as the delegates speaking at the official forum." Our intention was to avoid any hostility that may have caused tension: namely, the possible confrontation of any of the forum participants with manipulations that would be a burden on and an obstacle to the agreement process. It is true that this conference would be absolutely unnecessary if just one country had found a perfect way to solve all the problems on the agenda; or if we did not have just as much (or in certain cases more) reason to call some of these uninvited purifiers and would-be accusers to task for the same arromalous and one-sided views on the relationships of cultures with which they fault their opponents. Nevertheless, it is clear that such behavior may lead to an escalation of mutual mudslinging, which could only harm the cause.

Ideological debates are necessary, and it could prove useful to become familiar with various views, witness confrontations and possible mutual influences, or reach sensible compromises; but only if this leads to promoting the aims of the universal interests of human (and within it, European) culture, detente, peace, cooperation and not if it leads to encouraging lurking thoughts of some kind of political barbecue. Thus, the Hungarian delegates are pleased and satisfied that despite the presence of polemic elements, a confrontational tone does not characterize the debate, and the delegates and objective press consider the forum so far to be (as far as we know, since there are some closed and some section meetings) free of extremes. The majority of the speeches were restrained and constructive; and as for the consensus that has already been formed, all delegates consider the forum to be a new and important element in the pan-European process. Hence, we regret the debates mentioned in our reports, which deal with frequent regional tensions. Such problems require bilateral or trilateral negotiations but certainly do not belong on the agenda of a multilateral all-European forum dealing with universal problems.

This is why we do not consider it proper that the British delegate harped on "theoretical" differences about whether we can talk about a separate socialist and capitalist culture. If he likes it better, let him talk about the works of writers and artists in the 16 republics of the Soviet Union or the European socialist countries and of those in the West who consider themselves socialist. But he certainly could not deny the existence of Picasso, Leger, Aragon, or even Anatole France, Sholokhov, Aytmatov, Attila Jozsef, and others who considered and consider themselves and their art socialist.

It is evident that the forum's debate cannot become a one-way street, cannot withdraw from the historical development of individual countries, and cannot aim at directly interfering in the domestic affairs of other countries.

When the Hungarian People's Republic accepted the role of the host, it was aware of not organizing a Marxist or socialist conference. In other words, it was clear that this forum would be a dialogue between those having different opinions, and precisely this would give it character and importance. The forum can become a success only if it assumes good faith on all sides and efforts to reach an agreement, a kind of (not unprincipled but flexible) compromise. This is not an easy task. We have to feel our way through mined territories and break through the walls of prejudice. But if until now we have been able to fulfill this assignment with honor and general acknowledgement, we may hope that it will also be possible to do so in the future.

CSSR Delegate Soothes Tensions

AU301415 Bratislava PRAVDA in Slovak 29 Oct 85 p 7

[Budapest dispatch from our permanent correspondent" Gajza Vilcek: "Constructive Atmosphere at the Forum; We Want To Come to an Agreement, Not To Squabble"]

[Text] The Cultural Forum in Budapest again continues this week in several work groups. Karel Zeman, film director, national artist, father of the puppet film, and artist of worldwide renown, has also arrived in Budapest as our delegate to the European Forum.

After certain misunderstandings among the forum participants at the Friday [25 October] plenary session, which was not open to the public, the atmosphere has again returned to normal thanks to the constructive statement delivered by the deputy head of our Czechoslovak delegation. From the information which has percolated down from the deliberations, one can conclude that when artists speak of the specific problems of their activity and of cooperation, points of contact are established on the basis of which one can take a step forward toward agreement in the individual sectors.

As we have been told, yesterday's [28 October] session of the work group for graphic arts was addressed by Ludo Letransky, prorektor and assistant professor at the Higher Academy of Graphic Arts in Bratislava. His statement found a favorable reception not only among the circles of delegates from the socialist countries but also, for instance, among the delegates from the United States and Turkey. "The secret" of the successful activity of our delegates lies in their sincerity and fairness, in their unambiguous effort to attain progress and to help consolidate peace in the world. Prorektor L. Letransky, too, formulated this clearly in his statement: I cannot imagine any purpose of art outside its service to life and peace. The kingdom of art is and will remain of this world; and it therefore has only one possibility -- to fight for its preservation. A good response was also given to the proposal to hold an international symposium on the "Significance of the Synthesis of Graphic Art and Architecture in the Creation of Living Environments and in the Solution of the Problems of Ecology."

An enthusiastic speech, which is at the same time documented by specific proposals, cannot but be successful. This was also reflected in the statements made by USSR and GDR delegates.

Yesterday evening [28 October] a festive performance was given in the rebuilt State Opera in Budapest, in which prominent artists from the participating countries took part.

GOVERNMENT, CATHOLIC BENCH AGREE ON LAY PERSONS

LD012349 Budapest MTI in English 1710 GMT 1 Nov 85

[Text] Budapest, November 1 (MTI) -- The first November issue of the Hungarian Catholic Weekly NEW MAN reports on the conclusion of a new agreement between the Government of the Hungarian People's Republic and the bench of Hungarian Catholic bishops on the participation of lay persons in pastoral work.

Under the agreement, which was signed by Cardinal Archbishop Laszlo Lekai and Imre Miklos, president of the Hungarian Office for Church Affairs, the bench of bishops is shortly to draft detailed rules on the subject.

The November issue No 3 of NEW MAN carries the protocol on the agreement, which states that lay persons having pastoral functions are required to observe the church code and consider it a civic duty to respect the Constitution and the law and order of the Hungarian People's Republic, to support the peaceful construction work of the Hungarian Government and to promote the country's development.

OLAH ENDS KUWAIT VISIT; SEES GANDHI IN INDIA

LD010950 Budapest Domestic Service in Hungarian 0900 GMT 1 Nov 85

[Text] Army General Istvan Olah, minister of defense, had discussions in Kuwait about the development of cooperation between the Hungarian and Kuwaiti armies. Istvan Olah, at the head of a military delegation, has paid a 4-day official friendly visit to Kuwait. The delegation was received by Crown Prince al-Sabah, the prime minister.

From Kuwait Istvan Olah and his entourage traveled to India. The minister of defense, after his arrival, was received in Delhi by Rajiv Gandhi, head of government.

USSR SOUTHERN ARMY GROUP MARKS COSR ANNIVERSARY

LD051152 Budapest MTI in English 1015 GMT 5 Nov 85

[Text] Budapest, November 4 (MATI) -- On the occasion of the forthcoming 68th anniversary of the Great October Socialist Revolution, a celebration was held at the headquarters of the Soviet Southern Army Group temporarily stationed in Hungary. The presidential opening of Lieutenant General Anatoliy Makunin, member of the Military Council of the Army Group, was followed by a speech of Lieutenant General Aleksey Demidov, commander of the Southern Army Group.

The event was attended by Istvan Horvath, secretary of the Central Committee of the Hungarian Socialist Workers' Party, Lajos Czinege, deputy chairman of the Council of Ministers, Lieutenant General Janos Kamara, minister of the interior, Lieutenant General Lajos Morocz, under-secretary of state at the Ministry of Defence, and Sandor Borbely, national commander of the Workers' Militia. Present were Boris Stukalin, ambassador of the Soviet Union to Hungary, Colonel-General Nikolay Silchenko, commander-in-chief of the United Armed Force of the Warsaw Treaty Organization [as received], and representatives of several Hungarian Party, state and public organizations.

KISZ CONGRESS SCHEDULED, OFFICERS ELECTED

LD012359 Budapest Domestic Service in Hungarian 1730 GMT 1 Nov 85

[Text] The 11th KISZ Congress has been convened for 22 May 1986. This was decided today by the joint session of the KISZ Central Committee and its Central Financial Supervisory Committee, held under the chairmanship of First Secretary Csaba Hamori. Approximately 900 delegates from Hungary are expected to take part in the KISZ Congress, and about 250 invited guests from Hungary and abroad are also expected to participate. The KISZ Central Committee has modified the order of elections: delegate assemblies and the congress itself will elect new officers.

The joint session relieved secretaries Mrs Laszlone Kopf and Istvan Nyitrai of their posts while recognizing their merits and noting their other important positions. Laszlo Domonkos and Imre Nagy were elected in their place.

DPRK PARTY WORKERS' DELEGATION CONCLUDES VISIT

LD042337 Budapest MTI in English 1740 GMT 4 Nov 85

[Text] Budapest, November 4 (MTI) -- Led by Kang Song-san, deputy department head of the Central Committee of the Korean Labour Party, a party workers' delegation visited Hungary from October 29 to November 4 on the invitation of the Central Committee of the Hungarian Socialist Workers' Party. The delegation examined methods of party work in the field of industry.

ANGOLAN DELEGATION MEETS LEADERS, DEPARTS

LD031908 Budapest MTI in English 1733 GMT 3 Nov 85

[Text] Budapest, November 3 (MTI) -- An Angolan party delegation, headed by Antonio dos Santos Neto, member of the MPLA [popular Liberation Movement of Angola] Labour Party Central Committee and head of department of the CC, paid an official visit to Hungary, from October 29 to November 3, on the invitation of the Central Committee of the Hungarian Socialist Workers' Party.

The delegation met Istvan Horvath, secretary of the HSWP Central Committee, and held talks with Peter Varga, member of the Central Committee and head of department at the CC, Janos Kamara, member of the Central Committee and minister of internal affairs, Sandor Borbely, member of the Central Committee and national commander of the Workers' Militia, and Bela Gyorgyi, first secretary of the Party Committee of the Hungarian People's Army.

The Angolan guests were informed about achievements in the implementation of the resolution of the 13th HSWP Congress, and the experiences of the Hungarian party.

The delegation of the MPLA Labour Party left Budapest on Sunday.

BERECZ ADDRESSES POLITICAL BOOKS CEREMONY

LD021105 Budapest Television Service in Hungarian 1830 GMT 1 Nov 85

[Excerpt] A traditionally important event in our cultural and ideological life is the days of political books which was held for the 24th time this year and was organized by the Kossuth publishing house. The opening ceremony today in Gyor was attended and addressed by Janos Berecz, secretary of the MSZMP Central Committee.

[Begin Berecz recording] The responsibility of book publishing is increasing in today's world. Elements of confrontation have become more prominent in relations between the world orders and the significance of the influence of ideology has grown. An important function of political book publishing is to become an active component, initiator, and catalyst as a workshop in the ideological debates taking place today. In other words, it must supply with valuable and useful ammunition the people working for the strengthening of the Marxist position, and must gather and organize the rank of authors, extend their circle, and employ authors who with their works constructively and effectively shape political thinking and attitudes. It should gather authors and works that help people in orienting themselves in today's history. [End recording]

Orientation is not at all easy in rapidly changing and contradictory events. For this reason it is not unimportant whether political book-publishing is capable of keeping pace with the publication of works analyzing social and economic processes.

[Begin Berecz recording] The work of political book-publishing is praised for instance by the fact that without delay it made available to the readers the high-standard materials of the national theoretical conferences whose task it is to discuss the most important issues of our age. [End recording]

METALLURGY PLANT ATTEMPTS TO TURN PROFIT

LD020726 Budapest Domestic Service in Hungarian 1730 GMT 31 Oct 85

[Summary] The metallurgy industry has been in a crisis for several years. The latest projections show no signs of improvement in the market and the cost of energy and raw materials still make the price of metallurgy products too high. The economic manager of the Lenin Metallurgy Plant (Geza Csato) told our reporter how they are tackling the industry's problems.

Unfortunately the 4 years resulting in loss have also affected the long-term prospects of the economic activities of our enterprise. The condition of our equipment, the size of the workforce and our ability to retain this workforce have deteriorated. We have therefore looked for new schemes in the year 1985 in order to achieve a surplus. We have increased the decision-making scope of brigade leaders and foremen and introduced so-called brigade-checks. At the end of a shift the brigade leader assesses the work of his members and is empowered to give financial reward to two or three of his best workers. Brigade leaders and foremen are also entitled to choose the workers they want to work with. A new scheme has also been developed for the remuneration of our technocrats. The essence of this is that teams of specialists have been set up, grouping together economists, engineers, planners, investment specialists and salesmen, and the team is rewarded according to its performance.

We have also made some changes in our product structure, and reexamined orders for about 1 million metric tons of goods. While rolled steel products bring in between \$200 and \$210 per metric ton on the world market, the new alloyed products and high quality steel we now produce sell for between \$320 and \$350 per metric ton.

BRIEFS

RETAIL TRADE FIGURES RELEASED -- Domestic retail trade sold almost 1 percent more goods than last year at comparable prices in the first 9 months of the year. The Internal Trade Ministry's report for the third quarter notes that the supply of goods was generally satisfactory in foodstuffs and industrial goods, but in some counties there were supply disturbances, for example in carcass meat, because of late deliveries. On the free markets in Budapest, compared to 1 year previously, there was an average increase of 28 percent in the price of fruit, while that of potatoes and vegetables fell by 6 percent. In September the TUEZEP enterprises sold 6 percent more coal than 1 year earlier. There was a reduction in the coal mines' delivery backlogs and the shortage of stocks was eased also by import, but even so the TUEZEP sites' stocks are still smaller than last year. [Text] [Budapest Domestic Service in Hungarian 1100 GMT 2 Nov 85 LD]

REAGAN-IZVESTIYA INTERVIEW: 'POSITIVE PHENOMENON'

LD042127 Warsaw Television Service in Polish 1830 GMT 4 Nov 85

[Text] The [Soviet] newspaper IZVESTIYA today published an interview given by President Ronald Reagan to four Soviet journalists. Declaring himself generally for peace and the normalization of relations with the Soviet Union, Reagan attempted to present Soviet foreign policy in a distorted manner. Despite this, the very fact that awareness of the need for far-reaching Soviet-U.S. dialogue is being developed in the United States is a positive phenomenon. This opinion was expressed by the journalists to whom Reagan gave the interview.

SHULTZ, SHEVARDNADZE HOLD PRESUMMIT TALKS

LD042124 Warsaw Television Service in Polish 1620 GMT 4 Oct 85

[Text] The main topic in the world's press agencies is the Soviet-U.S. talks, which began today in Moscow. They are being conducted by the foreign ministers of the two powers, Eduard Shevardnadze and George Shultz. Shultz is in Moscow on a working visit at the invitation of the Soviet Government. The aim of the talks is to prepare for the November summit in Geneva, where Mikhail Gorbachev and Ronald Reagan will meet.

PRON COMMISSION MEETING HELD, 9TH SEJM DISCUSSED

LD042253 Warsaw Domestic Service in Polish 1900 GMT 4 Nov 85

[Text] A session of the Central Commission for Cooperation of the PZPR, ZSL, and SD took place today.

Taking part were: for the PZPR -- Wojciech Jaruzelski, Kazimierz Barcikowski, Jozef Czyrek, Zbigniew Messner, Tadeusz Porebski, and Wlodzimierz Mokrzyyszczak; for the ZSL -- Roman Malinowski, Jozef Koziol, Kazimierz Kozub, Bogden Krolewski, and Kazimierz Olesiak; and for the SD -- Tadeusz Witold Mlynczak, Kazimierz Modzelewski, Marek Wieczorek, Edward Zglobicki, and Piotr Frankowski.

The session was also attended by Henryk Jablonski, chairman of the Council of State; Zenon Komender, chairman of the PAX Association; Kazimierz Morawski, chairman of the Christian Social Association; and Zbigniew Zeilinski, chairman of the Polish Catholic-Social Union Board.

Agreement was reached during the meeting on issues linked to the start of the activities of the ninth term Sejm.

A joint session of the Central Commission for Cooperation of the PZPR, ZSL, and SD, and the Presidium of the Executive Committee of the PRON [Patriotic Movement for National Rebirth] National Council then took place at the PRON National Council's headquarters. PRON was represented by Jan Dobraczynski, Alfred Beszterda, Jerzy Grzybczak, Jerzy Jaskiernia, Jozef Kukulka, Marian Orzechowski, Jerzy Ozdowski, and others.

Agreements undertaken by the Central Commission for Cooperation of the party and political parties in connection with the start of the Sejm's ninth term of office were presented and discussed.

The Presidium of the PRON National Council's Executive Committee, having acquainted itself with the proposals that had been put forward, gave them its support.

TRADE OFFICIAL ON 'NEW PROTECTIONIST MEASURES'

LD221717 Warsaw PAP in English 1113 GMT 22 Oct 85

[Text] Warsaw, Oct. 22 -- In an article headlined "Protectionism -- A form of Political Warfare" TRYBUNA LUDU carries an interview with Deputy Minister of Foreign Trade Andrzej Dorosz about contemporary trade protectionism, its effects and possibilities of fighting it.

Vice-Minister Dorosz told TRYBUNA LUDU, among other things, that, "Poland as a socialist state has from the beginning of its existence encountered protectionist barriers by the West to its markets... today... new protectionist measures, at times in breach of accepted international commitments, are being introduced against Poland. Discrimination against Polish exports has risen significantly and its forms and means are more [word indistinct] than in the case of other countries."

"The unilateral suspension by the United States of the 'most favoured nation' status concerning Polish exports was a glaring example of discrimination... in the aftermath of the suspension of the 'most favoured nation' status it is estimated that our export to the United States had fallen by about 100 million dollars yearly. This is a large sum. We must also take into account the fact that... recovering lost ground on the American market, which could eventually happen, may be very difficult."

"At the same time", Vice-Minister Dorosz pointed out, "we have been stripped of the possibility of seeking state grants in the United States. This is the price our country and society pays because of trade protectionism and restrictions founded on political motives."

"Poland has deeply felt the results of protectionist activities in financial fields. After the West broke off talks on rescheduling debts the flow of new credits had ceased. The question of whether Western states are ready to renew credits to Poland remains open," Dorosz said.

Asked whether Poland was defenceless in the face of protectionism, discrimination, restrictions and the whole framework of economic warfare waged on our country the deputy foreign trade minister stated: "We are greatly concerned with a trend which can be witnessed lately of not only turning away from the principles contained in the GATT general agreement but also of surfacing discriminatory practices and restrictions, of curtailments aimed at us based on political motivations".

"Using economic weapons as a means of achieving political goals, in which field especially the U.S. aim high as their activities against Cuba, Poland and recently Nicaragua go to show, has encountered firm protest and condemnation at the U.N. forum. In striving to mobilize forces against protectionism and restrictions, showing how harmful they are, we have come out with a resolution at the U.N. about the means of constructing confidence in economic relations. The resolution was passed by a wide margin of votes."

"This proves that Poland is not alone in its stand against protectionist practices and the use of economic weapons. Our strong alliance with socialist states is a very important factor in neutralizing protectionist activities and especially the restrictive ones aimed at Poland. Poland's relations with developing countries are also a factor neutralizing protectionism, restrictions and other anti-Polish measures used by the West.

"This does not mean that we turn our backs on cooperation with the West...but Poland cannot accept the kind of treatment it has received from the West in the last years. We will go on pursuing active joint action on the international arena for liberalization of trade and developing equal-rights economic relations between states," concluded Deputy Minister Dorosz.

SIWICKI ON ARMY CAPABILITY, EXPENDITURES

PM301147 Katowice TRYBUNA ROBOTNICZA in Polish 3 Oct 85 p 3

[Interview with candidate of PZPR Central Committee Politburo, Minister of National Defense, Army General Florian Siwicki, by Janusz Pruszkowski; date, place not given]

[Excerpt] [Siwicki] During a preelection meeting someone asked me with obvious concern whether our Army is capable of guaranteeing peace and security for Poland, and the inviolability of its borders. He even suggested that a larger proportion of the national income than at present should be earmarked for Army weapons, since the potential enemy spends much more on armaments than we do.

[Pruszkowski] But can one really wonder at it? All realistically minded citizens know that defense costs money, but they also know that vulnerability is even more costly, and that war would be infinitely more expensive still.

[Siwicki] That is why the socialist countries are doing everything in their power to prevent the occurrence of such an extreme event. Hence the peace and disarmament initiatives. The fact that we have a well-trained Army provided with advanced equipment, and that we attach so much importance to increasing the country's defense potential within both the national and the coalition systems, is a necessity that has been imposed upon us by the aggressive forces of imperialism. With all that said, and contrary to diverse gossip, the burden of military expenditure on the distributed income and the state budget in our country has been moderate for many years now. This year it constitutes about 4.1 percent of the distributed national income, and 7.25 percent of the state budget. It can be said that military expenditure's share of the total state budget has in principle remained unchanged for years.

Does that mean that we have a weak Army? Most certainly not! The Polish People's Army is a real force, capable -- in cooperation with the allied armies of the countries of the socialist community -- of guaranteeing peace and tranquility for Poland. It has at its disposal weapons and technical equipment of a standard that matches that of the armies of other European countries, and it is equally well trained. The operation of its own scientific, technical, and production base in the field of defense, and also the allied cooperation within the framework of the Warsaw Treaty and the CEMA are also of no little significance.

It is, however, not only the advanced equipment that greatly enhances the quality and high combat capability of our Army, but also the proper work organization, rational and economical management and, in particular, the deeply patriotic and active attitude of our magnificent professional personnel, the selfless and alert stance of national servicemen, and the reliability of Army civilian employees.

[Pruszkowski] All the same, it does not mean that the resources earmarked for national defense are used exclusively for defense and nothing else. One can see this in everyday practice, in all aspects of the life of our country. The most recent symbolic expression of the assertion that "a soldier is not only a defender but also a joint architect of People's Poland" is the new Syrena Bridge in our capital.

[Siwicki] We are a part of the people, a part of society. We just do different duties. That is why a proportion of the resources allocated to the Armed Forces flows back -- in many different forms -- to other areas of our public and economic life.

Our Armed Forces have been developing alongside People's Poland, and the beginnings of the bonds tying them to the people are to be found back in the war years. At the same time, they gradually became increasingly active as joint architects of the material and industrial, and scientific and technical foundations of our economy, and also as an ever stronger agent of national integration and ideological unification of the Polish people in their joint realization of the tasks of socialist construction, overcoming existing difficulties, and achieving stabilization, and social and political normalization of the life of the country. Let us also consider the fact that during the postwar years millions of young people have profited from their national service by attaining a higher level of political awareness and social discipline as well as a better understanding of their civic duties.

[Pruszkowski] The truth that independent and autonomous, socialist Poland is our most precious treasure, our homeland, confined within secure borders and stretching between the Bug and the Oder, between the Carpathians and the Baltic, is gaining an ever better understanding. And although we are going through considerable difficulties, nothing and no one can eclipse its advance in civilization, or the fruits of its people-based statehood -- These were the words you spoke, General, at this year's graduation ceremony at the Poznan Armored Troops officer college.

[Siwicki] I always stress the historic success gained by our nation in the form of a state of its own, restored in a new political shape, with secure borders and friendly socialist neighbors, and with lasting and reliable alliances, based on unity of goals. This acquires particular significance especially today, in the face of the insane arms buildup by NATO states, and the political subversion and economic warfare directed against Poland.

That is why our concern for Poland, for its present and its future, must be like the concern thus voiced by the poet: "They do not govern best who discourse much, but who feel with the strongest feelings and are the most ready for self-sacrifice." It is, therefore, with optimism that we view the fact that our society is becoming more and more convinced that a better future for our country depends on all of us, on the work we do at each post, and on our attitude in each and every situation. To that end we need a gradual reinforcement of the economic strength of our country, its political authority, and its defense capacity.

BRIEFS

VEGETABLE, FRUIT PURCHASES -- This year's vegetable crop amounts to 4.4 million metric tons, somewhat less than in the previous record-setting year. Nevertheless, the purchase of vegetables will amount to 750,000 metric tons, the same as last year. The purchase of fruit, however, will be slightly higher. This results, above all, from the greater supply of pears and plums as well as of strawberries, blackcurrants, and raspberries. [Text] [Warsaw Television Service in Polish 1620 GMT 4 Nov 85 LD]

REPORTAGE ON VISIT BY SFRY'S MILKA PLANINC

Greeted by Dascalescu

LD041313 Belgrade TANJUG Domestic Service in Serbo-Croatian 1200 GMT 4 Nov 85

[Text] Bucharest, 4 Nov (TANJUG) -- Milka Planinc, president of the Federal Executive Council, today arrived on a 3-day official, friendly visit to Romania at the invitation of Premier Constantin Dascalescu. At Bucharest's Otopeni International Airport, the Yugoslav delegation was greeted by Premier Dascalescu and other high-ranking Romanian officials.

Yugoslav-Romanian talks, which will start this afternoon, are expected to be devoted to bilateral relations and the examination of the international situation and internal affairs in the two countries.

Official Talks Held

AU041841 Bucharest AGERPRES in English 1821 GMT 4 Nov 85

[Text] Bucharest, AGERPRES 4/11/1985 -- Official talks between Constantin Dascalescu, prime minister of the Socialist Republic of Romania, and Milka Planinc, president of the Federal Executive Council of the Socialist Federal Republic of Yugoslavia, began in Bucharest, on November 4.

The two premiers expressed satisfaction at the positive course of the traditional relations of close friendship and collaboration between the two parties, countries and peoples, relations which have improved with the translation into life of the decisions made during meetings between Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, and party and state leaders of the Socialist Federal Republic of Yugoslavia. The mutual wish was underlined to further deepen this collaboration in the interest of socialist construction in the two countries, of general cause of socialism, collaboration and peace the world over.

During the talks they exchanged information on the concerns and tasks in the two countries for the implementation of their development programmes.

They most carefully analyzed how summit decisions regarding the strengthening of the Romanian-Yugoslav relations were carried into effect and examined ways and possibilities to develop bilateral collaboration, to expand economic cooperation in particular, and to increase mutual goods exchanges. It was stressed that the possibilities of the two countries' economies, the advantages of their proximity allowed for a further amplification of economic collaboration, of industrial cooperation and long-term production specialization, in the next five-year period and in a longer run, especially in the domains of raw materials, electronics, electrical engineering, petrochemistry, power engineering equipment, machine-tools, ship-building and other branches of activity of mutual interest.

They appreciated also the unfolding of the collaboration and exchange of information in science, education, health, culture, the arts, press and television, and in other sectors, and the wish was expressed to more actively promote these relations which contribute to a better knowledge, to the deepening of the links between the two peoples and countries.

During the working dialogue, conducted in a cordial, friendly atmosphere, they also exchanged views on major issues of international life.

First deputy prime minister and deputy prime minister of Romania, ministers and other officials were present.

The officials accompanying the Yugoslav premier on his Romanian visit attended.

During the dinner which proceeded in a warm, friendly atmosphere, the two prime ministers proposed toasts.

DOBRESCU, ANDREI MEET PALESTINIAN OFFICIAL

AU021843 Bucharest AGERPRES in English 1734 GMT 2 Nov 85

[Text] Bucharest AGERPRES 2/11/1985 -- On Saturday, November 2, Miu Dobrescu, member of the CC of the RCP Executive Political Committee, and Stefan Andrei, alternate member of the CC of the RCP Executive Political Committee, met at the CC of the RCP headquarters with a delegation of the Democratic Front for the Liberation of Palestine [DFLP], led by Salih Rafat Hamdan, member of the Political Bureau of the CC of the DFLP, who pay a visit to Romania invited by the CC of the RCP.

A message was conveyed to the general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, Nicolae Ceausescu, on behalf of Nayif Hawatimah, general secretary of the CC of the DFLP, who expressed warm thanks for the manysided support the Romanian people and the RCP grant to the Palestinian people's struggle for the achievement of its legitimate rights.

During the talks, information was exchanged on the current activity and preoccupations of the RCP and the DFLP, and aspects of the international situation were approached, particularly concerning the developments in the Middle East.

The interview, the atmosphere of which was warm and comradely, was attended by 'Izzat Abu al-Rob, permanent representative of the Palestine Liberation Organization in Bucharest.

GIGEA, DUMITRESCU MEET DUTCH FINANCE MINISTER

AU041838 Bucharest AGERPRES in English 1717 GMT 4 Nov 85

[Text] Bucharest AGERPRES 4/11/1985 -- On November 4 Romanian Finance Minister Petre Gigea and the governor of Romania's National Bank, Florea Dumitrescu, had working interviews with H. Ruding, Dutch minister of finance, now on an official visit of Romania. The sides approached aspects related to an intensification of the financial and banking cooperation between the relevant organizations of Romania and their opposite numbers in Netherlands, further promoting mutually advantageous economic collaboration ventures, developing and diversifying the bilateral trade.

The talks were attended by Vasile Pungan, minister of foreign trade and international economic cooperation, chairman of Romania of the Joint Commission on Economic Collaboration, executives of other ministries, advisers and experts.

Attending for the Yugoslav party were Milenko Bojanic, member of the Federal Executive Council, federal secretary for foreign trade, chairman for Yugoslavia of the Joint Commission on Economic Collaboration; Budimir Loncar, deputy federal secretary for foreign affairs, other officials.

Romania's ambassador in Belgrade and Yugoslavia's ambassador in Bucharest also attended.

International Issues Discussed

LD042309 Belgrade TANJUG in English 2145 GMT 4 Nov 85

[Text] Bucharest, November 4 (TANJUG) -- The coming meeting between Soviet party leader Mikhail Gorbachev and U.S. President Ronald Reagan should be a step towards a broader dialogue on disarmament and detente in the world, Premiers Milka Planinc of Yugoslavia and Constantin Dascalescu of Romania assessed in the Yugoslav-Romanian talks which opened in Bucharest today.

The Romania premier assessed as highly positive the role played by the movement of non-alignment in the current tense situation in the world, and the movement's efforts towards eliminating the existing crisis hotbeds.

In the exchange of views on the situation in the Balkans, the Yugoslav premier stressed the important role played by minorities in the establishment of firmer ties between Balkan countries, and pointed up the efforts invested by Yugoslavia along the line of promoting its relations with all Balkan countries on the basis of its well known foreign policy principles.

The two sides assessed as stable the friendly and good-neighbour relations and cooperation between Yugoslavia and Romania, and noted that frequent contacts between officials of the two countries contributed to their continued promotion and expansion.

Discussing bilateral economic cooperation, Planinc and Dascalescu stated satisfaction with a moderate upturn recorded of late, despite the difficulties and overindebtedness faced by the two countries. The Yugoslav premier set out that possibilities for expanding bilateral economic cooperation should be sought in production cooperation and specialization.

In the talks, attended by Yugoslav Foreign Trade Secretary Milenko Bojanic and his Romanian counterpart Vasile Pungan, the two sides noted that adequate efforts should be invested also to expand scientific-technical cooperation.

Official Dinner Given

AU042040 Bucharest AGERPRES in English 1930 GMT 4 Nov 85

[Text] Bucharest AGERPRES 4/11/1985 -- Romanian Prime Minister Constantin Dascalescu gave an official dinner on November 4 for Milka Planinc, president of the Federal Executive Council of the Socialist Federal Republic of Yugoslavia.

LCY CENTRAL COMMITTEE PLENUM DISCUSSES FEDERALISM

LD012340 Belgrade TANJUG Domestic Service in Serbo-Croatian 1455 GMT 31 Oct 85

[Excerpts] Belgrade, 31 Oct (TANJUG) -- The work of the 21st session of the LCY Central Committee, which is examining the realization of the constitutional role of the Yugoslav federation, continued today in Belgrade. The introductory report was delivered by Milan Kucan, member of the LCY Central Committee Presidium. It is expected that the LCY Central Committee will adopt positions relating to this problem.

The 21st session of the LCY Central Committee began yesterday, when there was a debate on topical ideopolitical questions of the implementation of the employment policy and social policy. It is expected that the LCY Central Committee members will also adopt conclusions on this problem as well at today's session.

The first participant in the debate, Mirko Ostojic, noted that the problem today is how to integrate the entire Yugoslav community and how to carry out the self-managing integration of Yugoslav society. In the documents, an answer is given to the question in the form of the slogan on the self-managing transformation of the republics and the federation. I find this very pleasing, Ostojic said, adding that he considers this to be the way to proceed, and that it is essential that we see what this means, that we draw up some kind of action program.

Ostojic said that in resolving the existing problems we should make more use of broader world experiences, because we are not the only federal community, nor the only multinational country in the world characterized by the existence of developed and under-developed areas.

We have clearly not succeeded, he continued, in our tempestuous development of a democratic and self-managing system to interrelate rights and obligations, rights and duties. This is why the discipline and legitimacy of the government has declined. If the Federal Executive Council adopts a decision to the effect that prices should return to such and such a level, and virtually no one implements it, then it is clear what that means, Ostojic warned. If laws are implemented only to the extent that suits individual bodies, units, and environments, then we know what that means. Here in Yugoslavia it is the rule that the laws are evaded.

When it comes to national relations, Ostojic continued, many people in the world are asking what is happening in Yugoslavia, because it is known that we have found the best solution to the national question. At the moment we are in the midst of some kind of outburst of nationalistic currents and nationalistic moods, which should not confuse us. Not long ago, we had a political movement, a nationalistic political movement in our country that threatened to disrupt and destabilize Yugoslavia. Surely we drew some conclusions and lessons from that, Ostojic said, adding that it is necessary to continue seeking out and recognizing the roots of such phenomena.

Mirko Ostojic pointed out the need to seek answers to the question of why we have such strong statism, when some years ago we unfurled the flag of the struggle against these phenomena. How is it that we have embarked on the struggle for strengthening national equality, and what we are getting is nationalism on the rampage? We also need to explain how, despite our orientation toward strengthening society and Yugoslavia as a whole, the present particularism has arisen.

The 1974 Constitution opened up the way for new and positive directions of development. However, because of a lack of uninterrupted organized efforts to direct social trends, and other appropriate measures, we are today faced with many weaknesses and tendencies opposed to the constitutional guidelines. Even though the 11th LCY Congress drew attention to the delays in the development of the political system and the danger arising from this, we continued for a long time to be satisfied both in the LC and in the society as a whole with repeating and describing the unfavorable situations, without clear readiness to critically recognize the causes of individual weaknesses and the reasons leading to the delays.

In the meantime things began to develop at a whirlwind pace in a direction which in many ways signified a divergence from the constitutional resolutions. Weaknesses which specifically diluted the functions of the federation became increasingly prominent, bringing into question its capacity for political articulation, seriously diminishing its ability to act effectively, and making its entire political physiognomy permeable.

Most of all, Markovic [as received] stressed, a phenomenon began to manifest itself which we call today polycentric statism, and tendencies strongly emerged which were on the lines of even greater so-called democracy and equality than envisaged in the constitution. The independence of the republics and socialist autonomous provinces became increasingly understood in practice as a right to "freely and independently assess which of the jointly adopted decisions of the federal organs, formulated on the principle of equality, should be implemented and which should not." This led to the phenomenon of illegality and the failure to implement what had been agreed. We have extended unanimity and consensus to almost all areas of decision-making, and have even transferred it to the Federal Executive Council. We have expanded the principle of parity to areas where the constitution does not demand it; this has affected the quality and ability of the cadres who work in the Federation.

Real relations are often evaluated on the basis of envisaged states, on which we have decided but which are nowhere near being realized. When we speak of instances of particularism, autarchy, and lack of unity in the Yugoslav market, we often stick to the principled viewpoint that all this can and should be overcome by the pooling of labor and resources, by income-based interrelation, and by the integration whose exponent is associated labor. However, we must draw the right conclusions and we must not constantly give the same answer, that associated labor will resolve this itself. The LCY Central Committee must give a clear answer as to why associated labor does not do this. Bureaucratic-technocratic resistance is not an adequate answer. I am firmly convinced that the main part of the answer is contained in the long-term economic stabilization program, which is being realized slowly and with great difficulty.

The method of decisionmaking in the Federation is also of essential importance for the effective performance of the functions of the federation. The constitutional principles in this respect are clear. The principles of social agreement-reaching and negotiating are appropriate to the character of relations in our multinational community, and this must be the basis for reaching decisions.

In connection with the debate on this set of questions, the view is often expressed that it is not all the same which guidelines, which methods, and which ways we employ in realizing unity and overcoming the unsatisfactory situation. Should it be self-managing or statist? Our orientations can be in only one direction -- the self-managing direction of social development. However, we must bear in mind our actual situation.

The real question is how, within the framework of the normative federal system and on the basis of socialist self-management, we are to have an effective federation capable of successfully resolving the problems within the framework of the functions for which it is responsible. It is not thus a question of whether more or less centralism is needed, nor is it even a question of the extent of the functions that the federation has. It is merely a question of to what extent those functions are being effectively carried out, and in what measure the organs of the federation are able to resolve the current problems within the framework of their rights and duties. This is not a demand for statism and centralism, but is precisely an action aimed at destroying the danger of statism.

For the effective functioning of our society, the question of the relations between the individual organs is very important, Markovic stressed. There is a theory that there are no hierarchical relations between individual organs in our system. Thus, the position of independent decision-making as to what should or should not be implemented when it is a question of decisions of wider socio-political communities, in this case the organs of the federation, is defended. There can be no hierarchy, in the sense of the classical legal concepts of superiority and subordination, when it is a question of relations between the individual organs in our self-managing democratic society.

However, when the organs of the federation adopt a federal law, then it cannot be up to the republics and municipalities whether that law should be applied. In this case, the federal organs must have the clear right and duty to secure the implementation of these laws directly, or through the organs of the republics and socialist autonomous provinces. Out of these rights and duties of the federal organs must arise the obligations of all other organs in our social community to implement the decisions of the federal organs unconditionally. We should not fear such "hierarchies." We should fear the absence of such hierarchies that would lead us into lawlessness and social paralysis.

Dusan Alimpic devoted most of what he said to the functioning of the unified Yugoslav market, mentioning that the necessary importance was given to this question in the introductory report. Proceeding from the fact that the constitution provides the very basis of the unified Yugoslav market, he stressed that we must constantly maintain an active attitude when organizing the unified Yugoslav market, and we must build it and go on building it on the planned self-management foundations as an essential condition for its efficient functioning.

We must not allow any dilemma over the fact that as the LC's and as society as a whole, we remain unswervingly and consistently on the AVNOJ (Antifascist Council of the National Liberation of Yugoslavia: second session of November 1943) principles of our federal system and solutions established by the 1974 constitution, Azem Vlasic said.

It is important for the LC position to be strengthened to enable us to settle accounts more resolutely with a whole range of antisocialist views and tendencies, which by assorted methods and diverse means have recently been staging an onslaught on our federal setup and also on the fundamental values established as far back as during the national liberation struggle and the revolution, Azem Vlasic said. He stressed that the complete stabilization of the situation in Kosovo and the faster solution of current and long-term development and other topical social problems in the provinces are undoubtedly of major significance for the overall relations in our federal community, and especially for relations in the Socialist Republic of Serbia.

Most Communists and other progressive people in Kosovo are aware of them, especially because the counterrevolutionary events in 1981 left serious consequences and deep scars, not only on the social situation in that province, but also on relations in the Socialist Republic of Serbia and in the country.

Speaking of the situation in Kosovo, Vlasi stressed that an uncompromising and persistent struggle to suppress enemy activity arising from Albanian nationalism and irredentism remains an important task. This orientation and our persistence to work on these tasks, I am deeply convinced, will have a direct and positive impact on halting the process of emigration of Serbs, Montenegrins and others from Kosovo, which constitutes today the biggest problem affecting our situation and overshadowing the results that we have attained in stabilizing the situation. Of course, the progressive forces in Kosovo who conduct an action to stabilize a situation will still need assistance and support by our entire social community.

The strategic objective of the struggle of progressive forces in Kosovo and the assistance by the rest of the Yugoslav community to our province must be that the province should not remain forever the weak link in our federation.

In his view, as regards the LC's future action in connection with the situation in Kosovo, some fairly pronounced negative manifestations and tendencies that are intensively manifested vis-a-vis Kosovo have to be noted. Certain nationalistic, chauvinistic, and dogmatic-bureaucratic forces are acting quite aggressively and on a broad front, trying to impose their own theses, concepts and view on the LC during the discussions about Kosovo, and even on the way in which the situation in Kosovo should be discussed. These forces and tendencies find their help in a section of the press and publishing activity, but they use other public platforms as well. Their object is to create a widely held anti-Albanian and anti-Kosovo mood and to identify the Albanian nationality as a whole with Albanian nationalists and irredentists. Unfortunately, they have been quite successful in that, Vlasi said.

As far as relations in the Socialist Republic of Serbia are concerned, he said, it is of exceptional importance that the LCY Central Committee Presidium has adopted clear and comprehensive positions on that. It is high time they did. Now the overall climate as regards these relations is more favorable; an intensive action is underway to perform many tasks and solutions in keeping with these positions. It is of greatest importance for the further solution of the existing problems in these relations to create a climate of comradesly and communist trust, tolerance, democratic dialogue, and full cooperation. The problems have occurred mostly because the trust in relations between the leaderships of the republics and the provinces has been infringed.

If we wish to remain firmly grounded in political reality instead of concerning ourselves with normative fiction, then we must know and acknowledge the fact that the implementation of the unity of class and national elements constitutes a revolutionary process of great strategic objectives. It motivates and guides specific social actions in the area of changing production relations to the advantage of associated labor, Najdan Pasic said. The present situation requires Communists to say this truth loudly and clearly, and in so doing to dissociate themselves from bureaucratic-technocratic and nationalistic concepts within their own ranks. The fact must be borne in mind that these pragmatic-bureaucratic concepts have their powerful roots in the present division of social power because, in the ultimate analysis, they represent an ideological expression of the effort by a section of the professional political bourgeois stratum to keep and preserve the positions of arbitrary power and tutorship over associated labor which they have acquired.

And what can provide stronger support in the implementation of these efforts than to claim the right to speak on behalf of inviolable national interests, which at the same time are the class interests of the working class or a specific nation or a national group? Hence, the phenomenon of double morality and of an increasingly conspicuous clash of words and deeds. In our communist organization and at the meetings and on public platforms, we unanimously speak out against all forms and aspects of statism, ranging from the municipal to the federal. In daily political practice, moreover, we wage an obdurate struggle to strengthen all aspects of the sovereign state power, of one's own republic or provincial state, and we propose or endorse the measures which round off and isolate our own municipal, regional or national economies, Pasic stressed.

The implementation of the proposed positions will revive the process of the growth of a strong, stable and progressive Yugoslav federation and open up the path of a faster and more successful solution to existing complex economic, social, political, and other problems. Such expectations are realistic, but only on condition that the adopted positions are implemented consistently and persistently, without hesitation, vacillation, dilution, or unwitting or deliberate obstruction, Milos Munic stressed.

Munic pointed out the questions that must be given priority in LC activity. The entire system and the policy that is being pursued must favor and encourage with all possible resources and methods the consolidation of the process whereby the working class increasingly takes into its own hands the economic functions in our society. However, neither our policy nor our system does it by any means satisfactorily; it does not encourage this process. He supported this statement with the fact that the share of associated labor in the economy in the distribution of the social product in 1975 amounted to 71 percent, whereas in 1985 this share declined to 52 - 53 percent. If our economic policy and system do not soon start to change this trend to the advantage of associated labor in the economy, Munic added, this tendency will be increasingly stifled, and self-management and the workers' role in the performance of economic functions will be fettered. Unless that happens, the tendency toward statism and technocratism will continue to strengthen. It is impossible to go on listening to the reports, on the very threshold of November, how enormous surpluses of resources can appear in the budgets and in self-management interest communities without sparing a thought for the question: How can our responsible political bodies and organs allow this to happen; why don't they intervene on time?

Referring to the part of the proposed positions which concern the functioning of the top bodies and organs of the federation -- the Assembly, the Federal Executive Council, and other organs -- Munic stressed that the central committees of the republics and the provincial committees must bear full responsibility for the influence which they can and must have on the conduct of the top bodies and organs in the republic and provinces. They must provide the biggest possible contribution to the successful implementation of the role of the federation.

It is high time, Munic said, that the position on the independent activity of the Federal Executive Council and of other bodies and organs of the federation, which is clearly formulated in the proposed positions of the LCY Central Committee Presidium, is implemented as consistently as possible. Of course, this is implied in conditions of intensive cooperation with appropriate organs of the republics and provinces. Without such cooperation there is and there will be no normal functioning of the federation in the interests of all together and of every republic and province separately. This implies the rejection of the practice of bringing pressure to bear on their members of the federal bodies and organs to have an interest of their own pushed through.

In Minic's view the draft positions have quite properly given a very prominent place to the question of the selection of people for the federal bodies and organs. It is high time that all factors heed the views widely predominating among our people to the effect that the responsible functions in the federation should be performed by the right people being in the right place, people capable of bearing full responsibility for their difficult duties. To send the wrong people from the republics and provinces to assume important and sensitive functions in the federation is very costly, both in the material-political and social meaning of the word, for all the working people and all the republics and provinces including the republic or the province which has sent them, and ultimately for the entire Yugoslav community. Our experience in this matter is bitter. This is why special importance must be given to the requirement that the practice of republican and provincial monopoly on the choice of the people to assume specific functions in the federation should cease. Every proposed person must obtain the confidence of all, because that person is discharging the business which is of importance to all, Minic said in conclusion.

One of the basic questions, which in its substance is a profoundly class question, is to encourage a faster development of production forces of the economically inadequately developed republics and of Kosovo. This problem must be tackled as a joint interest and an essential element of brotherhood and unity of our nations and nationalities, our republics and provinces; it must be a priority task, Vlado Strugar said.

For us, Yugoslav Communists, the federal system is an irreplaceable principle of the political system of our multinational community, Vidoje Zarkovic said. A political system that in our conditions envisaged the principle of a federal system on the basis of full national freedom and equality, but neglected its working class foundations, not only could not be stable but would not be accepted by our nations and nationalities.

The basic social protagonist of the federal system of our multinational community is the working class as a leading force in the ranks of all our nations and nationalities. The LCY is convinced of and oriented to the fact that in the future our federation can become strong and our federalism can develop successfully only on the basis of the historic interests of the working class. This means that the further emancipation of labor and the development of socialist self-management are indivisible.

Article 1 of the SFRY Constitution expresses the comprehensive and essential orientation of the Yugoslav federation. It is a federal state community of nations and socialist republics, and the Socialist Autonomous Provinces of Vojvodina and Kosovo. They are united on a voluntary basis as a federal state based on the power and self-management of the working class and of all working people. In this way both these elements separately and as a whole express the simultaneous multinational and working class nature of the Yugoslav community, and also the unity of power and self-management in one single system of socialist self-management democracy.

However, Zarkovic stressed, during the 10 years of the practical implementation of the constitutional concept of federalism, the dimension of Yugoslavia as a socialist self-management democratic community of our working people and citizens has not been adequately developed. It can even be said that it has been pushed into the background; and if this concept is not carried out, it is hard to implement successfully both the equality of our nations and nationalities and the cohesion of the community, because that is one of its essential premises.

The key question for the implementation of the constitutional concept of the Yugoslav federation is : Which forces have a decisive say in our republics and provinces and in the federation? Is it the workers in associated labor organized along self-management lines -- as envisaged by the Constitution -- or is it technocratic-bureaucratic and statist forces which, proceeding from the substance of our constitutional concept, ought to have been pushed out and dispossessed? Unfortunately, this has not happened. Self-management forces have been pushed back and statist red tape at all levels has waxed strong. This is the central problem in the implementation of the function of our political system as a whole and of the constitutional concept of the federation separately. This is the origin of all the anomalies and deformations which have caused the economic crisis and many shortcomings in the functioning of the system.

For this reason the most important task for the LCY now is to ensure that our working class appears more forcefully on the scene of our overall socioeconomic and political life, by deeds and not only by words.

The fact that, contrary to the LCY program orientation, in many areas of social life and also in the implementation of the constitutional concept of our federalism, statist tendencies had today forcefully placed the socioeconomic and political influence of associated labor under pressure speaks most eloquently that the LCY does not successfully fulfill its leading ideopolitical role, and that it does not fight successfully for the implementation of its program objectives either. Zarkovic said this is one of the basic reasons for, and our inconsistency in, the interpretation and implementation of the totality of the constitutional concept of the federation.

Zarkovic particularly drew attention to the fact that in the development of our system we have seriously neglected the vertical component of socialist self-management. Experience has unequivocally shown that it is not enough merely to proclaim the objective that the workers should control all aspects of general social reproduction in all the republics and provinces and in our federation. If they are not appropriately organized, and at the moment they are not, then other forces will inevitably appear on the scene who will try to become entrenched in the vacuum; and to all intents and purposes, they will discharge those functions in place of the workers organized along self-management lines. In our country technocratic-bureaucratic structures in the provinces, republics and the federation have taken advantage of that. Today they have at their disposal a major part of the revenue and they, instead of associated labor, make more or less all decisions about global questions of social production. As far as the federation is concerned, they do that very frequently through reciprocal unprincipled wheeling and dealing, and not in a way suitable to the self-management delegate system of associated labor. It is mainly these structures, and not the workers, that also formulate and interpret national interests. Most frequently they do it so that the interests "presented in this way" are not and cannot be the interests of the working people who constitute a majority of each of our nations and nationalities, but are the interests of these specific alienated statist-bureaucratic forces.

According to Zarkovic, the production and reproduction orientation of self-managing organization of associated labor has been particularly neglected. As a consequence, joint interests of associated labor do not find adequate expression in the assemblies of sociopolitical communities. The tendency toward organizing, expressing, and mediating on a territorial basis, and thus toward increasingly pronounced politicization of territorial interests, in the formulation of which state organs and bureaucratic-technocratic structures have the deciding word, exists to a greater or lesser degree at all levels of sociopolitical communities.

Although the SFRY Constitution itself proceeds from the principles that delegations should be linked both by labor and other joint interests and also by interests in the sociopolitical community, at present it is primarily the territorial principle of organizations and communities that is developed as the norm and realized in practice. The principle of functional work is not only not developed in practice, but it has almost completely been squeezed out and exists only fragmentarily in individual sectors of the political system.

As a result of all this, a number of major anomalies have recently become increasingly evident on the social level, and we are speaking increasingly often -- and rightly so -- of a strengthening of statist bureaucratism, spontaneity and autarchy.

We know that many decisions, even in the domain of social production, are adopted not at the level of the basic organization of associated labor or the work organization, but at the level of the global society -- at the level of the republics and provinces or at the Yugoslav level. Such, for instance, are the decisions on the conditions of economic activity, on the division of labor in order to ensure the harmonious development of the economy, on the strategy of technological development, on the strategy of involvement in the international division of labor, and so forth. However, we in society do not have an associated labor which is organized in a self-managing way such as to be able to take on the adoption of these decisions and thus to squeeze out the involvement of state organs from this sphere. Associated labor has still not even started to get itself organized in such a way as even to be able to exert any substantial influence upon the adoption of these decisions. I believe, Zarkovic stressed, that the LC must start stirring up this process in associated labor as soon as possible, and must develop among workers and their self-managing organs, trade unions and young people the consciousness of the historic importance of this process. If we fail to do this now, the role of the state organs in managing social production will continue to strengthen, and the power and role of associated labor will be weakened, with all the negative consequences for economic development, intranational relations, and the realization of the constitutional concept of the federation and the stability and cohesion of the Yugoslav community.

Noting that the every mention of this problem is often interpreted as heresy, Zarkovic stressed that the building up of this orientation of self-managing organization of associated labor is precisely the way to realize the essence of the concept of the self-managing socialist society that we are building on the basis of the 1974 constitution. This by no means contradicts the social role of the republics and provinces as real national communities, for these exist in a common Yugoslav state, in the conditions of a unified economic area and a unified Yugoslav market.

According to Zarkovic, the activity of the LC and of other subjective forces should be directed even more toward creating the social and normative prerequisites for the worker in self-managing associated labor to become the basic protagonist in making decisions on income and on all forms of its use; toward more rapid and consistent development of the republics and provinces as self-managing labor communities; toward consistent expression of class and national interests in our federation as the integral, unified interests of the working class and working people in associated labor; toward bringing the role of the state at all levels within the framework and limits laid down in the constitution; toward nipping in the bud its economic power and the self-managing and delegate structures; and toward further developing the constitutional role of subjective forces, first and foremost the LC.

The LC must at every moment be the reliable support and guarantee of the participation of the working class in managing social affairs.

The LC must not permit any statist restriction on the self-managing social functions of the working class, for in such an event the LC would itself become the extended arm of the state. The LC must realize its constitutional role only in the measure in which the working class is constituted as the genuine leading force both in its own nation and in Yugoslavia as a whole, Vidoje Zarkovic said in conclusion.

Spiro Galovic said that the main problem confronting us is the blocked development of productive forces and of socialist social relations, many confirmations of which can be found in everyday experience. We have not progressed very far in economic stability, he added; the state of affairs is in a certain sense even worse than 2-3 years ago.

Speaking about what should be done to extricate us from the present difficulties, Spiro Galovic said that it is rightly demanded that the equality of proposals drawn up in the organs of the federation should be at the highest level. The point here, he stressed, is that the system of decisionmaking in society should to a greater extent be founded on research in the broadcast sense of the word. Facts ought to be facts in every republic and province. We do not need a science that overlooks differences in interests, and that is blind to specific historical situations and features. We not infrequently go to one extreme or the other, or make science the instrument of republican and provincial interests conceived on a day-by-day basis, or even ourselves take flight for an instant on the waves of spontaneous social consciousness.

Without research, even the LC cannot come to a policy of a well-considered and mobilizing strategy which is open for the interest of each republic and province and for the interest of Yugoslavia in their real historical linkage, and not counterposed to one another, Spiro Galovic said in conclusion.

Bosko Krunic pointed to the increase in the legality of a number of unacceptable and reactionary alternatives. According to him, it is now exceptionally important that the LCY should perceive the gravity of the violation of intranational relations, which is the direct consequence of the growth of statist tendencies and practice. It is also directly linked to issues relating to the realization of the constitutional concept of the federation. Now, too, we must have as our measure and goal the equality of nations and nationalities and the self-managing organization of integrated associated labor, in which the working class will have a decisive influence upon the trends of social production and the realization of the developmental functions in society. Everything serves this end -- both the federal state and the republics as states, the provinces as autonomies, municipalities, and all institutions. On several occasions since the 12th congress, the present phase has been quite accurately described as the clash of statism and self-management. It has rightly been pointed out that statism is on the increase at all levels, and not only in the republics and provinces; and that republican and provincial statism is nevertheless the most powerful of the disintegrating tendencies in the country. This is the most important circle of issues concerning the functioning of the federation.

The most important question is thus how to overcome the tendencies to statism and how to strengthen the self-managing federation, and how to secure the further equality of nations and nationalities on that basis. From this viewpoint it is more important to defend, for example, consensus on constitutional bases than organizational models which develop and adapt to the needs of practice.

In the open debate on the political system which, Krunic considers, came rather late, an erroneous dilemma and division was imposed: many or few changes. I believe that the point is that changes are essential, but their extent and content will be dictated by experience and by the critique of practice.

The federation must be discussed on the basis of the criticism of our practice and in the light of constitutional principles, always with a feeling of threat from unitarism and statism and any kind separatism. None of these tendencies or, rather, alternatives, can provide the prospect of emancipated labor, nor can it have socialist self-management and national equality as its basis. The people who do not believe in the real strength and historic superiority of the self-management alternative quite easily give way when faced by offers of a different way of constituting Yugoslavia and of national relations in it, and also of the policy and responsibility of the republics and provinces. Organizational models can cloud the essential postulates only where there is a fog in ideological orientations. We are all reliable witnesses that we did not arrive at the constitution and the constitutional amendments under the pressure of some alien forces. They were not adopted in an "underhand" manner. The supporters of the unitarist concept wish to negate everything, starting with the amendments in the late sixties until today. They grope for any kind of argument, starting with those suggesting that the ideas for constitutional changes are not ripe yet, that they have not been subjected to a sharp critical assessment, and ending with the now already strident variations on the themes about the Comintern policy of the party.

I believe, Kronic stressed, that the thesis to the effect that the constitutional solutions are the cause of statism at all levels, including the federation, must be rebutted with good arguments. It is important to reinforce the ideological point of departure that the worker's class is asserting itself as the protagonist of national sovereignty, and that then by the nature of things this should determine also the self-management and working class character of Yugoslav federalism.

Referring in conclusion to the positions of the LCY Central Committee Presidium on relations in the Socialist Republic of Serbia, Kronic stressed that the essential thing to do now is to overcome more efficiently and more uniformly the ideological and political differences in the approach to the outstanding issues. We must act resolutely against "the endless tape" on the open questions when raising the question of the state of relations in the Socialist Republic of Serbia, the province [Vojvodina], and in the federation. With all the seriousness at our command we must look ahead and work responsibly and confidently, guarding against looking backward, going back to square one and other dangers, Kronic said.

There were very few occasions during our postwar history when one had to examine with so much attention what Yugoslavia is and what sort of Yugoslavia we want, Dusan Ckrebic said. I believe, he added, that apart from all possible observations and shortcomings, the proposed positions are along the line of the further construction of Yugoslav federalism, and this is the key question.

For the very reason that the Yugoslav federation constitutes the condition for the continued existence of each nation and nationality, the federation, together with the LCY, is subject to the fiercest attacks by nationalistic, irredentist, and all other antisocialist and antiself-management forces. This is no accident, and our defense should not be passive. On the contrary, we must go on developing our federation and improve its functioning; we have to fight for everything that helps its consolidation as a community of equal nations and nationalities and remove the shortcomings in the functioning of its organs.

Ckrebic made some specific observations on the proposed text of the positions. The LC should have a clearly formulated position on the phenomenon and the setting up of the so-called "national economies" because practice is moving in a direction that is contrary to that about which we are writing.

The well-known positions to the effect that every nation should have its work and revenue -- that is, surplus value -- at its independent disposal, of course in keeping with the nature of the socioeconomic relations established by the Federal Constitution, are in fact a plea for a free development of our nations and nationalities, for reciprocal cooperation on an equal footing, for pooling labor and income on the basis of self-management equality, and against the imposition of economic will upon another nation. Accordingly, there is no need to seek there either an ideological or an economic prop for the conduct in the "national economies" style. In his assessment the positions discuss these issues in a fairly indirect way.

Dusan Ckrebic said in conclusion that the Central Committee should verify the positions of the LCY Central Committee Presidium on relations in the Socialist Republic of Serbia because to interpret, shorten, or rehash them would be a dangerous thing to do. That would be a source of misunderstandings rather than a support for action, Ckrebic said in conclusion.

The self-management production relations established at the grassroots levels in our society are not adequately expressed at the federal level. This has caused the federation to manifest itself today preeminently as a state and inadequately as a self-management sociopolitical community, Nandor Major stressed. He emphasized the exceptional importance of the development of the system of negotiation and agreement-seeking between the republics and provinces on the questions that are of vital importance for them. I believe, he said, that this is one of those solutions that are conducive to securing equality and that on a long-term basis can make the greatest contribution to the cohesion of the country.

Paternalism from any quarter in the sphere of the vital interests of the nations and nationalities would detract, Major believes, from the attained level of their equality and would debilitate the cohesion of the country. However, the Central Committee has quite a lot of commitments regarding the promotion of negotiations. We should not tolerate a situation in which the relations where arguments are arrogantly berated, in which a deaf ear is turned in an appalling fashion to the so-called "foreign" interests, in which unprincipled deals are struck and demands put forward which amount to the blackest kind of blackmail, in which an attempt is made to impose one's own interests as if they were general interests, are called negotiations. Nothing is worse than the duplicity when someone is branded for violating togetherness because one has resorted to one's constitutional rights. This creates the illusion that some rights have been granted merely for the sake of a democratic facade and not because of the genuine need stemming from the nature of relations.

Speaking of the manifestations of statism, Major said that the LC should carefully monitor these processes and should disseminate the knowledge about the fact that one does not fight statism by attacking and calling into question the institution in which statism has found shelter; the fight to eliminate these relations continues in these institutions. It seems that there are quite a few people today who do not comprehend this simple and obvious truth. This is indicated by many desperate attacks on the republics and provinces which are justified by saying that they are the main strongholds of the so-called decentralized statism.

In the campaign, which has its ebb and flow against the constitutional position of the republics and provinces, they are often described as if they were ordinary administrative units which can be willy-nilly repatched, disbanded, or reestablished. Not infrequently is the stress placed on the vital interests of the working people in one or the other republic and province cynically described as sheer regionalism. Sometimes, the actual specific differences, which we considered not long ago to be the wealth of our country, are described disparagingly as spurious, invented by the forces of the so-called decentralized statism.

Communists must display a greater degree of criticism toward all these manifestations, particularly in a situation in which they are most preoccupied by the need to strengthen the cohesion of the country. We cannot deny, he said, that very powerful centers of statist strength exist in the republics and provinces. However, a great deal of that makes the municipality the first and the strongest step on the scale of isolation on the basis of statist intervention and a basic obstacle to the further circulation of accumulation.

On the other hand, statist monopolies at the federal level have been visibly growing in recent years, and individual parts of statist centers in the republics and provinces are gradually establishing links with these centers in the federation; this should not escape the LC's attention, Nandor Major said.

In public it is the nationalists who are the most vociferous, Peter Jaksic said. From time to time they even manage, making use of our public communications media, to legally air messages about some threat to their nation, or to some alleged historical right, and allegedly to the culture of their environment.

In all our environments, Jaksic added, the nationalists started with various highly politicized theories about origins. This manifests itself further in chauvinistic dissensions and hatred, and then our difficulties and weaknesses are exploited, attacks are made upon our revolutionary fighters for brotherhood and unity, and upon the institutions of the system, with no exception made even for the person of President Tito. One is not surprised by the arrogance and fascist mentality of the class enemy, nor his attempt to make an appearance in public. What is surprising, though, is that we show consideration to the class enemy and are late to unmask and eliminate him, Jaksic stressed.

Jaksic then stated that in Kosovo positive trends are being manifested in production and in stabilization of the political situation today. However, alongside this, activity emanating from Albanian nationalism is in evidence, as well as from Serbian and Montenegrin nationalism. Albanian nationalism is trying to maintain continuity in its activities. Nationalists from Serbian and Montenegrin nationalism direct their activities, which have been stepped up somewhat, toward sowing distrust in the Albanian nationality as a whole, and particularly in cadres and even individuals, members of this Central Committee and the leadership, with the aim of separating them from national adherence. In so doing, they do not stop just at verbal activities, but also join forces with nationalists outside the province, in the republic and in other parts of the country.

Despite the clear orientation toward strengthening self-management in relations in the federation, elements of state-property relations and of the monopoly in decision-making founded upon these latter have come to expression. A reinforcement of statism has taken place at all levels of social organization, from the municipality to the federation, Hamdija Pozderac said. Explaining these relations, Pozderac said that the process of turning state property into social property, which is the essence of self-managing transformation of production relations, is only in its initial phases. The means for expanded production in our country have still not lost the characteristic of capital, and have not yet come under the control of associated labor. While this is the case, the inevitable struggle over who is in fact to manage the capital will continue to be waged.

Critics of the current state of affairs in the political and economic system see the causes for this in the relations of self-managing federalism.

While not neglecting the importance of the influence upon economic and political processes of the political independence of the republics and provinces as self-managing subjects, Pozderac warned that the disintegrational and other negative processes in the economy and in other spheres of social labor do not stop short of republican and provincial boundaries. Business and other labor obligations between producers belonging to the same production unit, and very often within republican and provincial boundaries, are broken off every day. Disintegrational processes are also present within municipal boundaries, as well as within composite and work organizations. It is therefore obvious that they are neither exclusively nor even primarily the result of counterposing "national interests" or established institutional relations in the Yugoslav federation.

The roots of these processes go deeper, that is the point. The roots lie in the appropriate real social and class basis of differentiations and relations of interests. Because their dislectic has not been more deeply understood, we most often seesaw between giving priority now to one aspect, now to the other; that is, to the nation or the federation, according to the manifested opposites. We do not always succeed, added Pozderac, in overcoming that approach and penetrating deeper into creating new relations of free associated labor. Herein lie the main reasons why there is no association of labor and means in the Yugoslav area, or not enough of it, and why integration comes to a halt within republican and provincial boundaries, Hamdija Pozderac said.

Aleksander Grlickov expressed support for the positions put forward by the Central Committee because as he said, they are founded upon the program and constitutional orientations which have already been laid down. Touching on the problems regarding the realization of the constitutional concept of the federation, Grlickov asked whether effectiveness of the federation is really a synonym for centralism, etatism or unitarism. Where has this been shown, and by whom, he asked, emphasizing that the federation must be effective in the manner laid down in the constitution. We must affirm the strength of Yugoslavia. This is the desire of all Communists and all socialist forces, but it is not the desire of the nationalist separatists and those who see in Yugoslavia only unitarism, Grlickov said.

We must state clearly, Veselin Djuranovic stressed, that a number of trends, tendencies and manifestations characteristic of the present state of relations in the federation, incline more towards the system and relations of confederalism than towards reinforcement of Yugoslav federalism, on the basis of its authentic principles. In my view, the tendencies towards a degeneration of the concept of the federation, such as it is contained in the 1974 constitution, bear within them serious dangers for our socialist federal community unless the causes which give rise to them are eliminated.

The basic cause of these and similar trends and tendencies lies, according to Djuranovic, in the fact that relations in the federation basically, or predominantly, or in greatest measure boil down to the relations between the federal state and the member states of the federation. An explanation for these and similar relations can be found solely in the fact that socialist self-management, as the basic production relation and as the integrated system of social relations in the country, is underdeveloped. The power of etatism in all socio-political communities is great; and, in realizing joint interests in the federation, the original and authentic interests of associated workers and of the delegate basis in society as a whole were not taken as the point of departure to a sufficient degree. That is, that joint interests in the federation were negotiated from positions of etatist relations in the socialist republics and socialist autonomous provinces. There was no coordination of joint interests in accord with the basic intention of the constitution.

Speaking about etatism and its negative consequences, Djuranovic said he feels that on this occasion, too, we have failed to give complete and specific answers to the question of how it was possible that for over a decade after the adoption of the new Constitution, etatism has been gaining ground and becoming an obstacle to further social progress on the bases of self-management.

The existing power of etatism could not have come about spontaneously, he continued. It must have found strongholds in numerous places, including in some systemic solutions, in certain economic policy measures through which we sought ways out of the economic crisis, and also in our vacillations in economic reform. We have not gotten to the bottom of the question of where we went wrong, whether this be in certain constitutional regulations, or in the specific application of certain constitutional principles and the way these spill over into legal regulations, into adoption of measures of an economic nature and into the practical policy of the League of Communists, Djuranovic said in conclusion.

I consider that the present situation makes it imperative that the draft positions to be adopted at this session by the Central Committee should be given the finishing touches so as to affirm the specific orientations for implementing the otherwise good politico-philosophical positions in these documents, said Mijat Sukovic.

Production and further improvement of production, information and management technologies are becoming the dominant factor not only of the dynamics of economic development, but also of linkage, cooperation and association. That is, if these technological achievements are wrongly used, they become a critical factor of division, opposition and conflict.

This has also made Yugoslavia depend on technology to a much higher degree than a decade ago. This necessarily brought about -- and I claim that it had to happen -- a confrontation between the republics and autonomous provinces in the processes of performing the functions of the federation, Sukovic stressed. Under these sorts of conditions the question is bound to arise of the possibility of the whole, the implementation of the constitutional concept of Yugoslav federation. And to say no more, I am convinced that such autharchi self-management, which is contrary to the constitutional concept, forces self-management towards the system of decentralized decisionmaking, which is not the same as socialist self-management. The only way to avoid this is the creation of new integrated wholes, or to use a term from the conclusions of the 13th session of the LCY Central Committee, the self-managing economic integration of Yugoslavia.

I believe that what follows from this is the need to build in the documents of the Central Committee a requirement which would mandate the start of a better, more responsible, more qualitative organization of the Yugoslav economy, as well as its better representation abroad. This would make possible and ensure the Yugoslav strategy of economic relations with foreign countries, Sukovic stressed.

Besides performing many functions in constitutional dimensions, the organs of the federation to a much smaller extent also perform three constitutionally determined functions. These are: the development function, the function of ensuring unity of technological development, and the function of ensuring Yugoslav inclusion in international economic currents. With full responsibility, Sukovic said, I state in front of the Central Committee that at this moment Yugoslavia is in a situation in which it can adopt, by the end of this year, social plans which will be mutually contradictory in terms of their substance and concrete forms of activity. Up to now we have not established and ensured that social plans in Yugoslavia complement each other. Plans are such that they do not ensure a development infrastructure for the economic integration of Yugoslavia.

Instead of plans complementing each other, there is a real danger of adopting plans which could further strengthen competing relations and implement the functions of the federation on a different basis, Mijat Sukovic said.

Without concrete answers to the question of what happened to our intentions and to the fundamental directions of our constitutional concept, as well as to the development of the federation on the principles of the constitution of 1974, we shall not really succeed in affirming and further promoting this concept of our federation, Josip Vrhovec stated. One of these questions, of course, is the one which refers to class and nation. Sometimes we try too hard to tackle this problem at the federation level. I doubt, he added, that we could find a solution there unless we look into the essence of socio-production relations in social production. We have directed our development towards strengthening the position of associated labor in social production, while practice shows something else. We need a realistic answer to the question of why associated labor is becoming impoverished.

First of all, it is necessary to see which objective circumstances contribute to this and which are the result of insufficient or inadequate activity by subjective forces. Along with the indication of the decline in the participation of associated labor in the social product, unfortunately, several very convincing but also very worrying facts are also evident, Vrhovec said.

Through some kind of strange channels, which we cannot put under social control either through legal or political action, a part of the national income flows away and goes into some kind of group or privately-owned pockets. If we realize this, we shall see an objective position in which associated labor cannot implement what is written in our work program. I am not saying this so that we can calmly accept it, but so that we could realize where and in what sort of direction we have to take action in order to change this situation.

There is no doubt, Vrhovec said, that we shall best defend our system if we prove its social comprehensiveness in practice, that is, in its entirety. If we do not succeed in this, and unfortunately we are not succeeding fully in this due to a whole series of objective reasons and even more due to subjective ones, then the formula of state socialism or the so-called socialist etatism will be permanently coming back. It will come as a link between political authority and economic power, a link which would take on the role of becoming an expression and proof of the social comprehensiveness of our system.

We have to answer the question of why as a political movement we have allowed our social awareness to become exposed to this sort of bombardment, Vrhovec said. We have left an incredibly wide space for the activity of anything which we call "antisocialism." Of course, if we continue to tolerate this in such a passive and opportunist manner, as we have been doing so far, then we should not be surprised when our social awareness becomes a negative element in the struggle for this transformation.

Speaking of the national question, Vrhovec said that it was necessary to start from the fact that Yugoslavia was a multinational community and that it was in no way unfortunate, as could often be heard. It was a great obligation of the League of Communists to ensure that this was understood and accepted in social awareness. No solution, no kind of progress in Yugoslavia could be realized on the basis of less equality, on limited or by limiting equality, Vrhovec said.

In proposed positions not enough stress is placed on the role of delegates and delegations, not only in creating the policy but also in its implementation. This is one of the major shortcomings of the functioning of our socio-political system, Sergej Kraijgher said.

This demands a full political responsibility with all the responsibilities for delegates and delegations. This is one of the prerequisites for each organ of the federation to perform its role independently and responsibly, which is particularly valid for the SFRY Assembly, Kraijgher pointed out.

The implementation of the constitutional conception of the federation is a huge task on whose realization all forces in our society must be engaged, Ilijaz Kurtesi pointed out. He then went on to speak at length on the delegate system, particularly stressing the functioning of delegates to assemblies. In the work of delegates' assemblies as a whole, including the SFRY Assembly, there are many shortcomings, he said, and added that manifestations of old work methods unsuitable to the delegates' decisionmaking system were still present.

The essential question in their work is certainly the effectiveness of the decision-making system. This system, Kurtesi continued, though it has affirmed itself in practice as a significant confirmation of implementing the adopted conception of the federation, is often not effective enough. Answering the question of what slows down the effectiveness of the system, Kurtesi referred to the existing difficulties in Yugoslav socioeconomic development, insufficient integration of associated labor, prominence of special interests, and so forth. According to Kurtesi, the SFRY Assembly must strengthen its control function, which has until now been neglected. In tackling existing problems of the functioning of the delegates' system, a significant role should be played by sociopolitical organizations led by the League of Communists, Kurtesi concluded.

Due to various negative experiences, today we find ourselves very often in the situation of repeating that stressing the need for unity and self-managing association is no kind of centralism or unitarism, no kind of centralistic correcting of the achieved degree of democracy and equitable relations, Ljubisa Igic stressed. Our decentralization was often a simple tearing down of the federal state, taking apart of the federal etatism and its removal to other levels, all the way down to municipalities and organizations of associated labor. These new etatisms have become, very often in the name of responsibility, independence and equality, real ambushes in which not so infrequently special interests would unite themselves: nationalism, bureaucratic-technological forces, liberalistic tendencies, and so forth. Instead of open and honest communist discussions on the real substance of conflicts, from economic to political, any debate is in advance prevented by warnings that it criticizes the federation, that is, the principles of AVNOJ. If that is the point, then we should stress that there is nothing more AVNOJ-like than socialist self-managing integration and association, which is the only thing that could be and which is the real negation of centralism and unitarism as well as of etatist decentralization, Igic said.

He went on to say that the way the relations in the Socialist Republic of Serbia further developed was of great significance for the federation, though some would like to reduce this problem to the question of interpersonal relations in leading structures. Though this problem could be talked about as well, it is a question of a very complex set of problems. The positions of the LCY Central Committee Presidium on this mean a step forward in explaining these questions and establishing directions for everybody's behavior. But in a wider sense it should be known that Serbia, with its conflicting relations, with open and unsolved questions, is objectively a potential factor in strengthening elements of centralism, and in particular of Serbian nationalism, primarily the one of unitarist direction and substance. It is the obligation of Communists to prevent attempts which might lead to a victory of nationalism in any milieu.

It is not certain in advance that the greatest danger always comes from the largest, that is, the most numerous nation. Every danger, though, is immeasurably big when in one milieu, in one nation, the forces of nationalism and reaction achieve a victory, Igis said.

We have adopted the stabilization program, as well as an anti-inflationary program which is not being implemented in practice. There is no new one, either in the federation or in the republics. We treat the rate of inflation in the same way as when it was sometime ago, 7 to 8 percent, Milutin Baltic pointed out. Nobody has any measures with respect to the inflation rate.

Stating that now some people are accusing the republics, others the federation and organs in the federation, Baltic said that there was no program for dealing with many of the problems. Baltic illustrated the lack of concrete action programs with the example of work stoppages. Participants in work stoppages say: Let a representative of the Croat LC Central Committee and of the LCY Central Committee come and tell workers, well, comrades, we can get out in such and such a way. I think we have also stopped working out concrete and topical programs on the basis of the long-term stabilization program, Milutin Baltic said.

We have been establishing our relations, Kolj Siroka said, as it suited our interests, the real state of affairs, and needs. We have developed our views on the state, nation, intranational relations, and the development of socialist social relations on the basis of our ideals and the aspirations of our nations, nationalities, and working class. We have abandoned the logic of minorities and established that all our people, regardless of their national affiliation, should be treated alike. In this way we have made a contribution to the world theory and practice in this field.

Kolj Siroka stressed that it is not proper to speak only about nationalities lacking this or that right without at the same time pointing out rights and obligations which they do have. Members of nationalities are an agent in the system, in all ways equal in associated labor and in other places. It is not in the interest of Yugoslavia to proclaim anybody alien and unequal.

In the Kosovo LC, both in the leadership and among the rank and file, there is a ruling determination, regardless of some delays, to realize tasks set by the LCY. But, he added, there are still problems which need to be addressed. There is still enough space for action and developing different views in the Kosovo LC, but it is encouraging that in the struggle against nationalism the Kosovo LC is not on its own. It is helped by other sections of the LCY, particularly by the Serbian LC and the Belgrade LC City Committee.

Vlado Janzic stressed that Yugoslav society and particularly workers in associated labor were oppressed by economic difficulties which could be solved only with the creation of comprehensive social assumptions and consistent and effective activity by the LCY. At this moment, this activity is not satisfactory, either in basic cells of society or in the federation. In addition, there is no coordination between various levels of social organizations. This is also one of the causes of the strengthening of centralist-statist tendencies, and leads to attempts to tackle all problems through decisions by state organs. Janzic characterized such an approach to problems as voluntaristic, stressing that the only alternative for further development was the strengthening of self-management. The significance of today's session lies in this. We should establish a clear demarcation line for differentiation within the League of Communists on the basis of concrete ideological and political action.

A discussion in which 24 members of the LCY Central Committee took part was followed by a debate. Milutin Baltic responded to a speech by Mijat Sukovic and asked the question of how it was possible that the draft of the federal plan of the country's development had been made without the republic and associated labor. The Federal Executive Council does not have to accept views from the republics, but neither should it allow us to get into a crisis about the plan, Baltic said.

Ivo Fabinc said that he, too, is confused by Mijat Sukovic's speech. According to Fabinc, Sukovic made a simplified assessment of the reasons why Yugoslavia had not achieved a higher degree of technological development and why scientific and technological revolutions did not come to work together.

Answering remarks made by Baltic and Fabinc, Sukovic said that he had not simplified a section of his speech dealing with technological lagging because he had started from social and economic substances and self-management. As for establishing the plan of the country's development, he added, this plan must complement the development plans of the republics and provinces. If drafts of these plans were compared, it would be easy to show that they did not satisfy this prerequisite. Without mutual coordination, in any direction, and without coordination with the federal plan, our plans will again be disconnected, Sukovic said.

Dragoslav Markovic made a reference to a part of Nandor Major's speech which referred to decision-making. It is not possible, he replied, from a position of self-managing democracy to contest majority-based decisionmaking as a way of democratic decision-making; this is a question where we differ. A shared decision to which all subjects contribute is a synthesis of shared wisdom. Therefore, Markovic said, it is not a question of a paternalistic relation; it is not monopoly.

In response to Dragoslav Markovic's remark, Nandor Major said that the overall delegate approach in discussing all sorts of questions should not be confused with agreements between the republics and provinces. I do not contest the democratic character of the majority-based decision-making, Major added.

Winding up the debate, Vidoje Zarkovic said that some of the problems which had been stressed in the debate -- the ones which referred to establishing the development plan -- would be discussed at the next LCY Central Committee session, while the part of the document being adopted at today's session referred to the ways of decision-making and reaching agreements.

At the end of the 2-day session, members of the LCY Central Committee adopted positions on the implementation of the constitutional conception of the Yugoslav federation and conclusions on ideo-political questions of implementing the employment and social policies, which was discussed yesterday.